



Daily Report

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General

PRC To Attend UN Trade Meetings in Geneva

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[Text] Beijing, June 28 (XINHUA)—The Chinese Government will send a delegation headed by Vice Foreign Minister Liu Huaqiu to attend the special high-level meeting of the Economic and Social Council of the United Nations to be held in Geneva from July 4 to 5 and the meeting of U.N. Conference on Trade and Development to be convened on July 3 also in Geneva.

This was announced by a Chinese Foreign Ministry spokesman here today.

The meeting of U.N. Conference on Trade and Development will discuss "The Challenge to the South", a final report of the South Commission with Julius Nyerere as the chairman, according to the spokesman.

Article Examines International Environment

OW2806032891 Beijing BAN YUE TAN
in Chinese No. 10, 25 May 91 p 16-19

[Article by Min Fanlu (7036 0416 6624), XINHUA senior editor and BAN YUE TAN chief editor: "How To Understand the International Environment of China"]

[Text] If we observe the world in light of the theory that one divides into two, we can see that another world war is unlikely to occur for a relatively long time; and this is good for China's reforms and construction. On the other hand, the world is still beset by all types of contradictions, complexities, and uncertainties; and so it remains tumultuous and not peaceful.

In general, the world environment is favorable for China. This is the case when the situation in China is compared with the past, or with those of other countries.

First, the many years of military threat to China from the two big powers, the United States and the Soviet Union, has gone, and the environment has changed significantly.

The United States' policy on China from the early 1950's to the mid-1970's was a policy characterized by hostility, blockades, encirclement, antagonism, confrontation in the Korean and Vietnam wars, and the stationing of troops on Taiwan, as well as its threat to China from the east and from the south.

Our relations with the Soviet Union from the mid-1960's to the late 1980's were quite tense, as demonstrated by a mammoth, million-strong army stationed along the Chinese border, and from the armed conflicts on Zhenbao Islands and along Xinjiang's border. Moreover, the Soviet Union also supported Vietnam in invading Cambodia and opposing China in the south.

Then, following the normalization of U.S.-Chinese relations in the mid-1970's and Sino-Soviet relations in the

late 1980's, and after the United States and the USSR substantially revamped their foreign policies in the late 1980's, the United States and the Soviet Union put an end to virtually all their military threats to China, and both the United States and the Soviet Union reduced their military forces in the Asia-Pacific region and in countries neighboring China.

Second, the Asia-Pacific region, in which China is located, is far away from the strategic locations where drastic changes and troubles were taking place, and so it remained relatively aloof and its stability was unaffected. The tension in the hot spots in the Asia-Pacific region was also alleviated.

Three major world developments—the drastic changes in the Soviet Union and Eastern Europe, the unification of Germany, and the Gulf war—took place in the heartlands of Europe and Asia. These events caused anxiety and generated a series of new problems. While these major changes have affected China in some ways, they nevertheless occurred in places far away from China and the effects were not direct.

The Iran-Iraq war, the Afghanistan war, the Cambodia war, and the Sino-Vietnamese war that broke out during the 1980's have all stopped, and the issues are being settled politically. A breakthrough has also been achieved in settling the political issue of Cambodia after 12 years of war.

Third, the two big powers have been bogged down by their own troubles and dilemmas, and each of them have its own problems.

The Soviet Union has been bogged down by serious political, economic, and ethnic crises since the second half of 1989. Because of the combination of the three major crises, the Union faces the threat of disintegration, its status as a big power has declined, Gorbachev's leadership has been challenged, and the situation is grim. As for the United States, after it was trapped by the Gulf crisis in August 1990, it deployed a mammoth contingent of 500,000 troops in the Gulf region and spent tens of billions of dollars fighting the war. The government also directed its main attention to the Gulf war, and President Bush was described as "burying his head in the sand." Although the United States won the war, it caused many serious consequences and thorny problems.

Fourth, the economic sanctions that the West imposed on China are disintegrating.

As bans against exchanges of high-ranking officials were broken, the exchanges became more frequent. The foreign ministers of France, Britain, Australia, and Japan visited China one after another. The European Community also declared that sanctions against China should be removed. Japan has resumed its third yen loan to China. The United States has also done many things to relax restrictions. For example, the U.S. Government approved the export of U.S.-made satellites to be

launched by Chinese rockets and authorized the Import-Export Bank to restate or underwrite loans to China. In also extended China's most-favored-nation [MFN] status in 1990, and invited Foreign Minister Qian Qichen to visit the United States. China and Britain have normalized their ties, and the Sino-British trade volume has soared.

Fifth, China's animosity with neighboring countries in the past has been replaced by relations characterized by good neighborliness and cooperation. As China's relations with neighbors improved, the hot spots around China cooled down.

1. The neighbors in the north. Sino-Soviet relations have normalized and are no longer confrontational as they were in the past. Gorbachev visited China in 1989, Chinese and Soviet leaders held summit talks, and the two countries and the two parties normalized their relations and put an end to the past. They are now looking forward to exploring fields of cooperation in the future. Premier Li Peng visited the Soviet Union in April 1990 and the six important accords he signed with the Soviet Union included the outlines for long-term economic, scientific, and technological cooperation and development, and the accord concerning the guiding principles for the mutual reduction of military forces along the Sino-Soviet border and promoting trust in the military sphere. Exchanges between senior Chinese and Soviet officials have also become more frequent. Since last February, deputy general secretary of the CPSU Central Committee, vice chairman of the Soviet Council of Ministers, and ministers of foreign affairs and national defense have visited China. General Secretary Jiang Zemin's visit to the USSR in May achieved major successes. The foreign ministers of the two countries have had consultations with one another on the world situation. Contacts between Chinese and Soviet armed forces have started. Trades between China and the Soviet Union on three levels—government, local, and border areas—have made substantial headway. The volume of Sino-Soviet trade reached \$3.2 billion in 1989, and the Soviet Union has now become China's fifth largest trade partner (in 1969 when the two countries became hostile to one another, the trade volume was a mere \$50 million.) The Chinese Government has decided recently to extend to the USSR a preferential commodity loan of 1 billion Swiss francs.

China and the Soviet Union share the world's longest border—more than 7,000 km. The establishment of peaceful and friendly relations are conducive to the two countries' socialist construction and to the stability of our country's northern border.

As for Mongolia, which shares with China a common border of longer than 4,000 km, its highest ranking leaders have visited China one after another, and Sino-Mongolian economic and trade cooperation has broadened.

2. Neighbours in the east. Relations between China and Japan are being normalized in all spheres. When countries in the West were still imposing sanctions against China, Japan was

one step ahead of them by taking the initiative of reinstating the third government loan to China. The step gave impetus to the reconstruction of Sino-Japanese relations and to relaxing sanctions imposed on China by the West. The extension of a yen loan to China in 1990 proceeded smoothly. In that year, Sino-Japanese trade reached \$18.9 billion, making Japan China's largest trade partner (with the exception of Hong Kong).

Ever since the Tanaka administration, Japanese administrations under all prime ministers have invariably attached great importance to Japan's relations with China. Sino-Japanese friendship remains in the mainstream in Japan today. Prime Minister Kaifu said that, at a time when the world situation has become increasingly complex, the work of further consolidating and developing Japanese-Chinese relations has become a major responsibility of Japan and China in the world community.

Peace and stability on the Korean peninsula have a direct bearing on China's security. The situation on the peninsula has undergone significant changes in recent years. Tense military confrontations between South and North Koreans have virtually ceased, and the situation on the peninsula is quite stable. Influenced by the developing world situation, both sides have started to restructure their policies. Since September 1990, the premiers of the two sides have had talks three times calmly and peacefully, and both sides have reached a common understanding on signing a declaration of mutual nonintrusion. The atmosphere between them relaxed after they stopped accusing each other. Meanwhile, the United States had talks with the North on many occasions on improving bilateral relations, and Japan is negotiating with the North on establishing diplomatic ties. The Soviet Union and East European countries have already established diplomatic ties with the South. Of course, owing to the relatively deep-rooted antagonism and large differences, a long and tortuous course is still ahead before Korea can be reunified.

China's relations with the North have been very good all along. The exchange of visits between senior leaders has deepened Sino-Korean fraternal friendship. Based on the principle of separating economic affairs from political affairs, China has actively developed nongovernmental trade with the South, and both sides have established nongovernmental trade representative organs in each other's country. The trade volume between China and South Korea jumped from \$1.75 billion in 1987 to \$3.1 billion in 1990. South Korea no longer regards China as an enemy.

3. Neighbors in the south. China's southern neighbors are primarily ASEAN members, Indochinese countries, and countries of the Indian subcontinent. In the past, owing to the rivalry between the United States and the Soviet Union in the Pacific and the Indian Oceans, and also owing to border and ethnic issues and other historical causes, these areas used to be trouble spots. Wars were frequent, and China also was involved in some conflicts. Today, these have basically become things of the past.

Relations between China and the six ASEAN members have entered a new stage of full development. China and Indonesia have reestablished diplomatic relations after 23 years, and China has formally established diplomatic ties with Singapore. Premier Li Peng's visit to three ASEAN countries, and the visits to China by ASEAN country leaders Suharto, Chatchai, and Lee Kuan Yew have promoted mutual understanding and trust between China and these countries. Malaysia has also lifted the ban of restricting Malaysian citizens to visit China. Southeast Asia is an important market for Chinese goods. China maintains good economic and trade relations with ASEAN members, and China's trade with ASEAN countries reached \$8.2 billion in 1990.

Indochina (Vietnam, Laos, and Cambodia) was a battlefield for many years. Because of China's repeated consultations with four other permanent members of the United Nations Security Council in 1990, the council produced five documents relevant to achieving a comprehensive settlement of the issue of Cambodia, which has been at war for 12 years. That was a breakthrough. The declaration made by Cambodia's four warring parties in Jakarta last September about the formation of the Supreme National Council showed that this issue was being actually resolved. Although the UN Security Council's framework documents concerning military and political arrangements could not be smoothly implemented because of problems created by the Vietnamese and Phnom Penh regimes, a political settlement of the Cambodian issue remains the main trend.

While the Cambodian issue is being settled step by step, the process of normalizing and improving Sino-Vietnamese relations, which became confrontational in 1979, has begun. After the war along the Sino-Vietnamese border stopped, Vietnam changed its hostile attitude toward China, and inhabitants living along border areas in China and Vietnam are now allowed to visit each other. When the Asian Games took place in Beijing, Vietnam sent General Vo Nguyen Giap to visit China. The battlefields along the Sino-Vietnamese border areas have now become marketplaces, the two countries' economic and trade contacts have been lively, and border trade is growing.

India, the second largest country in Asia, used to have disputes with China about border issues. Its relations with China were not friendly from the 1950's to the 1980's. Following the change of the world situation, the Indian Government began to readjust its China policy in recent years. Sino-Indian relation improved after Prime Minister Rajiv Gandhi's visit to China at the end of 1988. China's relations with Pakistan, Nepal, and Sri Lanka have always been cordial.

It is important for China to create a good international environment to stabilize the situation along the southern frontier and improve relations with ASEAN countries, Vietnam, and India.

4. Neighbors in the west. Afghanistan has also gone through a long war. The withdrawal of Soviet troops from Afghanistan has brought an end to the intrusion of foreign troops into the country, and Sino-Afghan relations have also been improving.

As far as the Arab states to the west of China are concerned, China remained strictly neutral during the Iran-Iraq War. Instead of supporting any one side, China made positive efforts to promote peace between the two sides and this has won acclamation from many people. During the Gulf war, China upheld justice, pursued an independent policy, upheld the banner of peace, energetically called for a peaceful settlement, and did everything to stop the war from spreading and making the situation more complicated. This stand won China more friends in the Arab world.

Upholding the five principles of peaceful coexistence in handling relations with its neighbors, China makes it a practice to forget previous grudges. Instead of seeking selfish interests or hegemony, China advocates reciprocity on equal footing and seeks common grounds while reserving differences. This being the case, China has won more and more friends and won all countries' trust and respect. Foreign Affairs Minister Qian Qichen said that this is the time in which China's relations with neighboring states are the best. The good-neighborly relations between China and its neighbors have built a good foundation and provided a good external environment for China's reform, construction, and development.

Sixth, mainland-Taiwan exchanges have substantially broken through restrictions imposed by Taiwan authorities, and the popular yearning for national reunification has become an irresistible trend.

Since November 1987 when the Taiwan authorities permitted people in Taiwan to visit their families on the mainland, as many as 2 million people have come from Taiwan to visit. These visitors include ordinary people and high-ranking figures among the Taiwan authorities. Some 1,000 visitors came from Taiwan all at once when the Asian Games took place in Beijing. So far, 8,000 mainlanders have also been given permission to go to Taiwan to visit their families and attend to funeral affairs. Trade between the mainland and Taiwan has been growing fast. The trade volume in 1990 exceeded \$4 billion. Investing and doing business on the mainland has now become a craze among businessmen on Taiwan. Over 1,600 businesses in Taiwan have invested on the mainland, and their total investment has exceeded \$1.5 billion. The principle of "peaceful reunification" and the principle of "one country, two systems" have received increasing understanding and support from people on both sides of the strait.

Seventh, China enjoys stability and steady economic growth at home. This situation is vastly different from the problem-ridden period following the "4 June" incident.

Today, countries in the West, the Soviet Union, and countries in Eastern Europe are all looking at China with

increased respect. China is a big socialist state, its overall national strength is strong, it plays an important strategic role, it is a permanent member of the UN Security Council, and it has significant influence in international affairs. This role was manifested during the Gulf crisis. The great tripartite relationship still exists. Even the United States and the Soviet Union cannot afford to ignore China.

The aforementioned situation shows that China is in a relatively favorable international environment and it has good opportunities. These opportunities are very rare in China's history, and we must make absolutely sure that they are not lost.

Of course, the international environment has its unfavorable side. We must be soberly aware of this side, alert ourselves, and make positive efforts to do our jobs right. These unfavorable factors include: The West has yet to give up its scheme to bring about a peaceful evolution in China and so a protracted struggle against evolution will continue during the 1990's. While the West has relaxed its sanctions against China, it has yet to lift them totally, and so China must continue to make efforts to restore the good relations it enjoyed before. International relations are still beset with uncertainties, and the way they develop will affect China. China must properly handle the unresolved issues with neighboring countries. The 1990's will be a period of worldwide economic recession, and China will have a harder time exploring the world market. Since more international economic groups have been set up, the competition will be fierce. The development of newly industrialized countries and regions in the Asia-Pacific region will become a challenge to China during the 1990's, which will be an important period for the competition of overall national strength.

In this complex and changing world, China upholds its independent and peaceful foreign policy, the five principles of peaceful coexistence, and the principle of opening to the outside world in all respects. In handling international affairs, China must observe things soberly, deal with changes calmly, uphold principles, and exert greater effort to win more friends and break sanctions. We must seize opportunities we currently have, concentrate our efforts, and dedicate ourselves to economic construction so that we can build up our economic strength, manifest the superiority of the socialist system, and lay a strong foundation for international competitions of overall national strength during the next century so that China can make great contributions to mankind's peace and development.

U.S.-European Disagreement on Defense Viewed

HK2706124191 Beijing JIEFANGJUN BAO
in Chinese 17 Jun 91 p 4

[Article by Dong Guozheng (5516 0948 2398): "One Pillar, Two Motives: Talk Beginning From France's Refusal To Join NATO's Rapid-Reaction Force"]

[Text] The NATO Defense Ministers Meeting held at the end of May decided to make great changes to NATO's

military structure and approved a plan to build up a rapid-reaction force of 70,000 to 100,000 soldiers. However, no sooner had the plan been approved than French President Mitterrand announced that France refused to participate "in any manner" in building up the rapid-reaction force. Although this is no great surprise, it immediately reflects the disagreements and differences between the United States and Europe concerning Europe's defense.

It is generally known that over the past decades, Western Europe and the United States have always had differences as well as much in common over defense matters. In the case of France, France was a major member when NATO was established. But in 1966, in order to rid itself of U.S. influence De Gaulle withdrew France from NATO's military structure and made it merely a political member of NATO.

In recent years, divergences between Europe and the United States have been focused on what sort of a "European pillar" is to be built. Some countries, including France and Germany, maintain that with the Western European Union as the basis, a united West European defense system, under the control of the EC, should be built to make the Western European Union, an almost "insignificant" organization but which is the only one in Europe that possesses limited power over defense, a powerful "European pillar." The United States and Britain, however, vigorously oppose this idea. The United States, which is on the other side of the Atlantic Ocean, in particular, resolutely maintains that NATO itself should play the role of the "European pillar."

Disputes over the shape of the "European pillar" began as the "cold war" between East and West ended. Following the disintegration of the U.S.-Soviet bipolar structure and, in particular, the drastic changes in the European setup, some European statesmen maintain that since NATO's aim has been achieved and its mission has ended, the United States will have much difficulty finding a "convincing" reason for its continued stay in NATO from now on. Therefore, the idea of building a united Western European defense has budded again. In fact, as early as 1988, France and the then Federal Republic of Germany had already built a 4,000-man Franco-German brigade and regarded it as an embryonic form for Europe's future "multinational troops."

After the Gulf crisis, some Western European countries regretted that NATO failed to play a collective role in the crisis, and in the words of French Foreign Minister Dumas, the crisis "exposed the limitations and insufficiency of Europe's capabilities" to the fullest extent. Therefore, these countries have become more enthusiastic about building an independent European defense system. EC states hold unanimously that it is necessary to change the image of the EC as an "economic giant," and as a "political pygmy, and a military larva." EC Commission President Jacques Delors clearly pointed out that Europe should build up a rapid-reaction force before 1995 to cope with contingency affairs like the Gulf war. France and Germany even explained: Building

a united West European defense structure does not imply that NATO will become "redundant." NATO will remain a factor for stability in the entire European security system. In order to dispel the United States' worries over its West European allies, early this year, then French Prime Minister Rocard paid a visit, the first for nearly three years since his appointment, to the United States and gave an explanation.

The United States has long "been aware" of its allies' new tendencies and adopted "both hard and soft tactics by putting pressure on them and roping them in." The United States maintains that a too powerful "European pillar" under the EC's control will form a group in Europe "that confronts the United States" and will probably lead to the "disintegration" of U.S.-European defense, as well as leading to the eventual exclusion of the United States from European affairs. Therefore, it warned that if the EC "acts independently" by establishing an "organization detrimental to NATO," the United States will "reconsider" its responsibilities to West European defense. In the meantime, the United States also pays attention to "placation." The fact that U.S. Secretary of Defense Cheney visited France prior to participating in the NATO defense minister's meeting serves as a good example.

After all, "Uncle Sam" did not waste his efforts. As part of the new NATO blueprint, a new rapid-reaction force organized by eight countries, including the United States, Britain, and Germany, will soon be organized and built up. In other words, NATO will still remain "Europe's armor and pillar." According to foreign dispatches, at the meeting this time, NATO defense ministers also discussed the question of whether West European countries should play a greater role in defense. The United States claimed that it supports this kind of effort on condition that it "does not weaken the alliance of the 16 NATO states." The United States pointed out straightforwardly that the reshuffling of NATO this time is practically a "move to seek to prevent the EC from developing an independent defense capability" and its "direct result is to isolate France."

Public opinion in the West holds that the dispute over the two patterns of the "European pillar" is only a "phenomenon," and that the two intentions—namely, whether Europe will become a "Europe of Europeans" or a "Europe of the Americans"—are the basic questions. On the eve of the NATO foreign minister's meeting held in early June, French Foreign Minister Dumas said bluntly that the United States should not "instruct the Europeans on what they should do." Although the United States also approved raising NATO's status in an attempt to ensure its role in establishing the so-called "new world order," the contradictions and divergencies between the United States and Europe over the matter of defense have not been ultimately eliminated. As Europe's status strengthens, it is difficult to prevent the "disturbance of Europe's independent defense" from occurring again.

United States & Canada

Ambassador Urges Lifting Sanctions, Views MFN

OW2806001691 Beijing XINHUA Domestic Service
in Chinese 0341 GMT 28 Jun 91

[Text] Washington, 27 Jun (XINHUA)—Chinese Ambassador to the United States Zhu Qizhen today called on the United States to lift all of its sanctions against China at an early date.

Speaking at a press conference at the National Press Club, the ambassador said that as many Western countries have abolished or are lifting sanctions against China. He added: We hope that the United States will not lag behind the others in this regard.

Zhu stressed that if the United States revokes China's most-favored-nation (MFN) trade status, or attaches any conditions when reviewing it, this will not only be severely detrimental to Sino-U.S. economic relations and trade, but also seriously affect the relationship between the two countries as a whole.

He noted that as MFN is a base for normal international trade and that the United States has granted the status to more than 100 countries, many of which have differences with the United States on one issue or another.

The United States should not use MFN as a means to pressure China, Zhu said, adding that differences between the two countries over certain issues can be solved through dialogue and consultation on equal footing and on the basis of noninterference in each other's internal affairs.

Resolving differences should not be linked to MFN, Zhu said.

He noted that conditioning MFN will also cast a shadow over the future development of economic relations and trade between the two countries.

China welcomes President George Bush's decision on the renewal of China's MFN status without any conditions, and hopes that the Congress will, for the long-term interest of the two countries, support the decision.

Soviet Union

Tianjin Delegation Leaves for USSR 23 May

SK2806034891 Tianjin TIANJIN RIBAO
in Chinese 24 May 91 p 4

[Text] At the invitation of the Kharkov City Soviet of the Soviet Union, the five-member Tianjin municipal delegation headed by Li Changxing, vice mayor of the municipality, left for Kharkov on 23 May. The municipal delegation will tour the Soviet city and hold talks with city authorities on exchanges and cooperation in the fields of the economy, trade, science and technology, and culture.

During the delegation's departure, seeing them off were leading personnel from the municipal level organs, including Zhang Lichang, executive vice mayor of the municipality; Zhang Zhaoru, vice mayor of the municipality; and Fang Fengyou, secretary general of the municipal people's government.

Novosibirsk, Heilongjiang Intend To Cooperate

SK2806044291 Harbin Heilongjiang People's Radio Network in Mandarin 2100 GMT 26 Jun 91

[Text] On the evening of 26 June at Huayuan Guest House in Harbin, a Heilongjiang Province committee and a committee from Novosibirsk, Russian Soviet Federal Socialist Republic, signed a letter of intent concerning economic and trade cooperation.

The letter of intent stipulates: The two sides will respectively establish economic and trade contact coordination groups to provide information for each other, and they will establish contact stations to help them further expand economic and trade contacts and the overall sphere of cooperation.

Northeast Asia

XINHUA Reports End of Qian's Japan Visit

Qian Interviewed

OW2706203591 Beijing XINHUA Domestic Service in Chinese 1453 GMT 27 Jun 91

[By reporter Jiang Yuzhe]

[Text] Tokyo, 27 Jun (XINHUA)—Qian Qichen, Chinese state councillor and foreign minister, who is currently visiting Japan, was interviewed by reporters today on board a train on the new trunk line from Tokyo to Kyoto. He talked about the fruitful results of his current visit to Japan and made some comments on the international situation.

Qian Qichen said that the main purpose of his current visit to Japan is to do preparatory work for Prime Minister Kaifu's visit to China. During the visit, he and Foreign Minister Nakayama reached agreement on the date of that visit. They also exchanged views on the two countries' relations and the international situation.

Foreign Minister Qian said: Both China and Japan are major nations in Asia. Development of their relations not only conforms to the interests of the two peoples but is also conducive to peace, stability, and prosperity in the region. The 1990's is an important period linked to the 21st century. Development of Sino-Japanese friendly relations during this period will lay a foundation for furthering relations between the two countries in the 21st century.

With regard to the emperor's visit to China, he said: Chinese leaders have said on many occasions that the Japanese emperor's visit to China will be welcomed. The

Japanese side is also considering the question of the emperor's visit to China. From a historical viewpoint, the Chinese and Japanese heads of state have not yet exchanged visits. A visit to China by the emperor will be a matter of significance in the history of Sino-Japanese relations. Viewed from the present situation, conditions are fairly ripe for his visit.

Referring to a new international political and economic order, Foreign Minister Qian said: A new world order means some kind of principles to be followed in dealing with state-to-state relations. This is somewhat different from a new pattern. The five principles for peaceful coexistence are very important, but they cannot solve the new problems resulting from the change in pattern at present. Judging from historical experience, it is impossible for one or several big powers to monopolize international affairs. The world is diversified; because of this, under the new order state-to-state relations should be established on the basis of diversification. All countries should refrain from interfering in one another's internal affairs. They should respect each other and seek common ground while reserving differences.

As for the North-South question, he said: Because of changes in the world pattern, developing countries are faced with more serious economic difficulties and they are politically more unstable. This unpredictable and ever-changing situation is characteristic of the transitional period when the old pattern has been smashed but a new one has not yet been established. Developing countries are expected to be in a more difficult situation.

Touching on the Cambodian issue, Qian Qichen said: China consistently holds that the Cambodian issue should be solved through political means, and conciliation should be achieved among the four parties of Cambodia. China hopes that all parties of Cambodia will take a flexible and constructive attitude to seek an agreement acceptable to all of them.

Regarding the issue of the Korean peninsula, he said: China supports the simultaneous entry in the United Nations of both the North and South of Korea. This will be conducive to easing and stabilizing the situation on the Korean peninsula. He pointed out: China and South Korea have relatively brisk trade relations. The China International Chamber of Commerce has set up a representative office in Seoul. This, however, has nothing at all to do with the establishment of state-to-state relations between China and South Korea.

Speaking about China's position on the Nuclear Nonproliferation Treaty, Qian Qichen said: China has not yet decided whether or not to join the Nuclear Nonproliferation Treaty because this treaty has shortcomings. The main shortcoming is that though it imposes certain restrictions on the horizontal proliferation of nuclear weapons, there is no restriction on the vertical quality upgrading of nuclear weapons. China does not practice

nuclear proliferation and is opposed to it. In this sense, China's stand is not in contradiction with the purpose of this treaty.

Visit Concludes

OW2806112291 Beijing XINHUA in English
0759 GMT 28 Jun 91

[Text] Tokyo, June 28 (XINHUA)—Chinese Foreign Minister Qian Qichen left Osaka, western Japan, for home this afternoon after winding up his four-day official visit to Japan.

Qian, also the state councillor, arrived here on June 25 to make preparations for an upcoming visit to China by Japanese Prime Minister Toshiki Kaifu scheduled for August 10-13.

During his stay, Qian had talks with his Japanese counterpart Taro Nakayama on bilateral and regional issues.

Qian formally invited Japanese Emperor Akihito and Empress Michiko to visit China sometime next year.

The Chinese foreign minister also met Kaifu and other Japanese Government officials and leaders of the ruling Liberal Democratic Party in Tokyo.

Qian left Tokyo for Nara to visit western Japan on June 27.

XINHUA Covers Japanese Businessmen's Visit

Received by Zhu Rongji

OW2706140791 Beijing XINHUA in English
1136 GMT 27 Jun 91

[Text] Beijing, June 27 (XINHUA)—Chinese Vice Premier Zhu Rongji met and had a friendly talk with Shoichiro Toyoda, president of Japan's Toyota Motor Corporation, and his party at the Great Hall of the People here this evening.

Toyoda and his party arrived in Beijing this afternoon at the invitation of the China Council for the Promotion of International Trade.

Confer With Li Peng

OW2806112191 Beijing XINHUA in English
1044 GMT 28 Jun 91

[Text] Beijing, June 28 (XINHUA)—Chinese Premier Li Peng met with Shoichiro Toyoda, visiting president of Japan's Toyota Motor Corporation, and his party here this afternoon.

During their conversation, Li Peng expressed his satisfaction with the smooth development of cooperation between the Chinese side and the Toyota Motor Corporation in the recent years. He said he hoped that their friendly cooperation in exchange of technology, personnel training and other fields would continue growing.

The Japanese businessmen arrived here yesterday at the invitation of the China Council for the Promotion of International Trade.

Chen Xitong Meets Mongolian Delegation

SK2806050491 Beijing BEIJING RIBAO in Chinese
25 May 91 p 4

[Text] On the evening of 24 May at the Oriental Hotel, Chen Xitong, state councillor and mayor of Beijing Municipality, met with a delegation from Ulaanbaatar, Mongolia, headed by (Ganghuyag), first vice chairman of the city People's Deputies Hural.

Chen Xitong said: The Chinese and Mongolian peoples have a traditional friendship. The friendly ties between the capitals of the two countries have developed ceaselessly during the past years. He hoped that both sides would learn from each other and strengthen their cooperation through contacts. At the meeting, both the host and the guests cordially held talks on further strengthening the understanding and contacts between the two capitals.

Zhang Baifa, executive vice mayor, and Wang Baosen, assistant to mayor, attended the meeting.

CPC Friendship Delegation Leaves for DPRK

OW2706110491 Beijing XINHUA in English
0958 GMT 27 Jun 91

[Text] Beijing, June 27 (XINHUA)—A friendship visiting group from the Chinese Communist Party (CPC) left here by train today on a visit to the Democratic People's Republic of Korea at the invitation of the Workers' Party of Korea.

The delegation is led by Yin Kesheng, member of the CPC Central Committee and secretary of the CPC Qinghai Provincial Committee.

KPA Chief of General Staff Meets PLA Group

OW2806032291 Beijing XINHUA Domestic Service
in Chinese 0113 GMT 27 Jun 91

[By reporter Zhang Jinfang (1728 6930 5364)]

[Text] Pyongyang, 26 Jun—General Choe Kwang, member of the Politburo of the Korean Workers Party and chief of the General Staff of the Korean People's Army (KPA), met in Pyongyang on 26 June with a visiting friendship delegation from the Chinese People's Liberation Army (PLA), led by Lieutenant General Shi Yuxiao, political commissar of the Nanjing Military Region.

The visiting group leader Shi Yuxiao and four other comrades in the group are veteran fighters of the former Chinese People's Volunteers. Choe Kwang warmly welcomed their visit to Korea after more than 30 years. He said: Seeing our fellow fighters who fought side by side with us is our great joy.

The 73-year-old General Choe Kwang participated in the armed struggle against the Japanese aggression in north-east China and knows the history of the Chinese revolution very well. He said: More than 50 years ago, it was not easy for the Chinese workers' and peasants' Red Army to successfully complete the 25,000-li march. Today's young people do not clearly understand the difficult military career of the older generation. We should conduct an education in revolutionary traditions among the young people.

Shi Yuxiao said: Chinese PLA units have often visited the former site of the First National Congress of the Communist Party of China, Jinggangshan, Yanan, and other places as camp and field training to receive education in revolutionary traditions.

Lieutenant General Won Myong-kyun, deputy director of the General Political Bureau of the Korean People's Army; Chinese Ambassador to Korea Zheng Yi; and Colonel Yin Guangtao, military attache of the Chinese Embassy, were present at the meeting.

After the meeting, Choe Kwang feted all members of the PLA's visiting friendship delegation.

Southeast Asia & Pacific

Commentary Notes Progress on Cambodian Issue

OW2706103591 Beijing XINHUA in English
1013 GMT 27 Jun 91

["Commentary: Progress Made in Political Settlement of Cambodian Issue (By Yan Ming)"—XINHUA headline]

[Text] Beijing, June 27 (XINHUA)—The three-day meeting of the Cambodian Supreme National Council (SNC) has witnessed positive progress in seeking a political solution of the Cambodian issue although the four warring factions remain divided on how to implement U.N. Security Council resolutions in this regard.

At an emergency meeting chaired by Samdech Norodom Sihanouk in Phatthaya, Thailand, on June 24-26, the warring factions reached agreement on the implementation of an indefinite cease-fire, a halt to receiving foreign military aid, and other issues such as the SNC location, its function and the establishment of its secretariat.

All this indicates a good beginning for political settlement of the Cambodia issue, and thus is hailed by the world opinion and countries concerned.

The success results from the efforts Samdech Sihanouk made before and at the meeting and from compromises among the four warring factions.

Sihanouk's new proposal, which incorporates the spirit of seeking common ground while accepting remaining differences, has created necessary preconditions for the success.

Under the agreement, the SNC will begin to work as the legal body of an independent, sovereign and unified

Cambodia. Representing the state, it will occupy its seats in the United Nations and other international organizations and conferences.

However, the implementation of the agreement needs a guarantee from the United Nations through its supervision. Still, there is a lot of arduous work ahead because the four warring factions remain seriously differed on the implementation of U.N. framework documents and draft resolutions from the Paris meeting.

Looking to the future, so long as the warring factions value the interests of the Cambodian nation, and forget past hate among themselves, they should increase mutual understanding, confidence and cooperation so that the 12-year-old conflicts could be solved in a comprehensive, just and reasonable way.

Meanwhile they should accept and carry out the framework documents approved by the five permanent members of U.N. Security Council on the political settlement of the Cambodian issue.

Do Muoi Elected Vietnamese Party Leader

OW2706102091 Beijing XINHUA in English
0944 GMT 27 Jun 91

[Text] Hanoi, June 27 (XINHUA)—Do Muoi, chairman of the Council of Ministers, was elected general-secretary of the Central Committee of the Vietnamese Communist Party to replace Nguyen Van Linh at its first plenary session of the Seventh Central Committee today.

Do, born in a farming family on the outskirts of Hanoi in 1917, was elected alternate member of the Party Central Committee in March 1955 and became a member of the Party Central Committee in 1960.

He was elected alternate member of the Political Bureau of the Party Central Committee in 1976 and member of the Political Bureau in 1982.

From 1969, Do held the post of vice premier in charge of capital construction, industries and materials and was elected chairman of the Council of Ministers in June 1988.

Vietnamese Foreign Minister Offers To Resign

OW2706104291 Beijing XINHUA in English
0948 GMT 27 Jun 91

[Text] Hanoi, June 27 (XINHUA)—Vietnamese Foreign Minister Nguyen Co Thach, who has occupied the post since 1980, announced here today that he had offered his resignation.

Thach told a press conference that his decision was only out of "the physiological reason" that he is now 68 years old, and it had nothing to do with Vietnam's policy towards the United States.

Policies To Be Maintained

OW2706113991 Beijing XINHUA in English
1100 GMT 27 Jun 91

[Text] Hanoi, June 27 (XINHUA)—Vietnamese Foreign Minister Nguyen Co Thach said today that Hanoi will continue to pursue its current foreign policy and hopes to have good ties with all nations.

The foreign minister told a press conference here today that Hanoi's current foreign policy was affirmed by the Seventh Congress of the Central Committee of the Communist Party.

Regarding Hanoi-Washington relations, Thach said a recent plan made by the United States for normalizing relations with Vietnam was a step forward from its previous policy, but somewhat retrogressive compared with four years ago.

According to media reports, the plan made by the U.S. State Department linked the normalization of U.S.-Vietnamese ties with a settlement of the Cambodia issue and the American soldiers missing in action during the Vietnam war.

Thach said both Vietnam and ASEAN (the Association of South East Asian Nations) countries hope to resume ties and strengthen bilateral cooperations. "Regional cooperation has become a vital issue for the countries in this region," he stressed.

Thach also said that Japan's policy to Vietnam is not "overcautious", but is "too timid." Development of bilateral relations will benefit both sides, not just one, he said.

Referring to China's stand on the Phatthaya meeting of the Supreme National Council of Cambodia (SNC), Thach said, "China's position is positive." "We highly appreciate the Chinese contribution," he added.

Near East & South Asia

Article Views Israeli Activities in Territories

HK2706134791 Beijing RENMIN RIBAO in Chinese
25 Jun 91 p 6

["International Jottings" by staff reporter Lin Jiaoming (2651 4109 2494): "Incredible Confession"]

[Text] Cairo, 24 Jun (RENMIN RIBAO)—Three days ago, in an unprecedented move, Israeli television broadcast a 15-minute documentary that showed members of an Israeli army special undercover unit, wearing Palestinian kaffiyehs and disguised as Arabs—with one male even dressed as an Arab woman. The documentary went on to show how the undercover unit infiltrated the occupied territories and carried out terrorist acts, such as the secret assassination and arrest of Palestinian leaders.

Filmed on the spot, the documentary showed vivid pictures, including shots of the undercover soldiers putting on fake mustaches and a male soldier's awkward imitation of a woman's walk. These were rare scenes of self-exposure by an Israeli army special undercover unit.

In fact, revelations about the activities of Israeli special units have long surfaced in the media, but they were always denied by the Israeli authorities. Now that the Israeli army itself has provided proof with its own video camera, the truth is out. It showed the world that in its savage suppression of the Palestinian people's uprising, Israel has resorted to every means available and carried out unspeakable plots.

The Palestinian people have long been aware and cautious of the clandestine moves and terrorist ways of Israel's secret army. It is hardly news anymore. What is interesting is that following the broadcast, Israel's parliament was in an uproar, meetings and debates were held, some parties threatened to quit the government—altogether a very exciting picture.

"Who could be so stupid" to allow the broadcast of this "ugly documentary" which "is damaging to the image of the Israeli army"? Israel's left-wing parliamentarians, and notably the heads of Israel's intelligence agencies, were outraged and called for the punishment of those responsible. However, an investigation showed that the decision to broadcast the documentary was made by Ehud Barak, the new chief of staff of the Israeli army, who asserted that he decided to release the documentary in order to "ease the minds of Jewish settlers in the occupied territories," and "let them know how effectively the army and the secret police were protecting them."

It appears that Barak is at least more truthful. Since Prime Minister Shamir is determined to continue with the expansion of Jewish settlements, what crime has the chief of staff committed in authorizing the broadcast of undercover activities to display the various skills of the army and police? Besides, in view of the Israeli authorities' intransigence in clinging to an expansionist policy, ugly pictures will hardly be limited to this. The pictures of the secret undercover army that were released are merely the self-exposed tail of the wolf.

Sub-Saharan Africa

Seychelles President Concludes Beijing Visit

Received by Jiang Zemin

OW2706132591 Beijing XINHUA in English
1222 GMT 27 Jun 91

[Text] Beijing, June 27 (XINHUA)—Jiang Zemin, general secretary of the Chinese Communist Party Central Committee, met with France Albert Rene, president of Seychelles, here today.

According to a Chinese official attending the meeting, Jiang said he was happy to get acquainted with Rene.

Jiang noted that it is very important for either big or small countries to maintain stability so as to achieve national development.

"We hold that all countries, big or small, strong or weak, rich or poor, should be treated as equals and that state-to-state relations should be handled on the basis of the five principles of peaceful coexistence," he said.

On the situation in China, Jiang said, "We have always devoted ourselves to the improvement of the socialist democracy and legal system."

"We are of the view that democracy and freedom are relative terms and should be suited to the level of a nation's tradition, history, culture, education, and economic development," he said.

Jiang noted that China has a big population of more than 1.1 billion and it is a very hard job to produce adequate food and clothing for them. But, China has solved the problem and thus made a great contribution to the safeguarding of the right of the Chinese people to exist.

He said that this is also a contribution to defending peace and stability in Asia and in the world as a whole.

Jiang also briefed the guests on China's multiparty cooperation system under the leadership of the Chinese Communist Party and the system of the National People's Congress.

During the meeting, Rene said he witnessed the new developments in China and benefited from his exchanges of views with the Chinese leaders.

Yang Shangkun Bids Farewell

*OW2706141591 Beijing XINHUA in English
1130 GMT 27 Jun 91*

[Text] Beijing, June 27 (XINHUA)—Chinese President Yang Shangkun went to the Diaoyutai State Guesthouse here this afternoon to bid farewell to President France Albert Rene of Seychelles.

Yang said that although Rene's current visit to China is short, Rene has exchanged views with Chinese leaders, and the meetings and talks between the two sides have achieved positive results.

"I think the visit is very successful," Yang added.

Prior to this, the governments of the two nations signed an agreement on economic and technological cooperation.

West Europe

Purchasing Delegation Overfulfills Target

*OW2806034091 Beijing XINHUA in English
0154 GMT 28 Jun 91*

[Text] Bonn, June 27 (XINHUA)—The Chinese purchasing group to Europe ended its month-long mission to

seven European countries and the European Community Commission today after placing orders worth more than 1.5 billion U.S. dollars.

The total turnover surpasses the planned one billion U.S. dollars, said Wei Yuming, head of the group, in an interview with XINHUA.

Wei said that both sides involved in the transactions are satisfied with the results of the mission's visit, which covered Belgium, the Netherlands, Italy, Spain, France, Britain and Germany.

Major items ordered include machinery, instruments, hardware, minerals, chemical industrial products, light industrial goods, electronic equipment, communications facilities and petro-chemical products.

Governments and economic and business circles of EC member states, particularly Spain and Italy, attach great importance to the Chinese market and doing business with China, said Wei, a former vice minister of foreign economic relations and trade.

Asked what impressed him most during the mission, Wei said he is optimistic that there are very broad avenues for developing economic cooperation and trade between China and West European countries and there are diversified ways for such cooperation.

The group is the largest of its kind China has ever dispatched to Europe since the founding of the People's Republic in 1949. The group is composed of nearly 200 senior officials from the Ministry of Foreign Economic Relations and Trade, the State Planning Commission and several key state-run corporations.

Chen Xitong Meets German Parliamentarians

*SK2806034291 Beijing BEIJING RIBAO in Chinese
7 May 91 p 4*

[Text] On 6 May at the office of the municipal government, Chen Xitong, state councillor and mayor of Beijing Municipality, cordially met a parliamentary delegation from the Federal Republic of Germany, headed by Ms. Leni Fischer.

Chen Xitong told the guests that he was satisfied with the economic cooperation and the cultural exchanges between China and Germany, particularly between Germany and Beijing Municipality. He also hoped that the two countries will further expand their cooperation spheres. Both the host and the guests also exchanged views on bilateral cooperation items and garbage disposal projects.

The delegation visited our country after participating in the 85th International Parliamentary Union meeting in Pyongyang. Huang Jicheng, assistant to the mayor of Beijing Municipality, and Hannspeter Hellbeck, German Ambassador to China, were present at the meeting.

Meets German Economic Group

SK2806050091 Beijing BEIJING RIBAO in Chinese
28 May 91 p 3

[Report by Lian Gong (6647 0364): "Chen Xitong Meets German Guests"]

[Text] Chen Xitong, state councillor and mayor of Beijing Municipality, met with Lengel, state secretary in the Ministry of Economic Cooperation of Germany, and his party on the morning of 27 May.

Chen Xitong said that he was pleased to meet Mr. Lengel again after they had met six months ago. He said that the relations between China and Germany in all areas were being restored and developing and that the projects for cooperation between Germany and Beijing were also proceeding smoothly. Chen Xitong hoped that the friendship and cooperation in many fields between both sides would develop on a long-term basis.

Mr. Lengel, who came to China particularly to attend the ninth preparatory meeting for the China-German Committee for Development and Cooperation, said: We have every reason to be confident in China's prospects. He said that he would do his best to promote the friendship and cooperation between the two sides.

Hannspeter Hellbeck, German ambassador to China, was present at the meeting.

Latin America & Caribbean

Yang Shangkun Names New Ambassador to Venezuela

HK2606140391 Beijing RENMIN RIBAO in Chinese
18 Jun 91 p 4

[XINHUA report: "Yang Shangkun Removes Chen Dehe, Appoints Huang Zhiliang as Ambassador to Venezuela"]

[Text] Beijing, 17 Jun (XINHUA)—PRC President Yang Shangkun, acting upon the decision by the Standing Committee of the National People's Congress, appoints and dismisses the following ambassadors to foreign countries:

Dismisses Chen Dehe [7115 1795 0735] from the post of PRC ambassador extraordinary and plenipotentiary to the Republic of Venezuela.

Appoints Huang Zhiliang [7806 1807 5328] as PRC ambassador extraordinary and plenipotentiary to the Republic of Venezuela.

Political & Social**Wang Zhen Writes Dictionary Preface**

HK2506103791 Beijing RENMIN RIBAO in Chinese
13 Jun 91 p 3

[Article by Wang Zhen: "Preface to *Dictionary of Noted Handicapped People in China*"]

[Text] The *Dictionary of Noted Handicapped People in China* has now been published. This is a special gift devoted to the undertakings of handicapped people and in socialist spiritual civilization construction. Through the experiences and successes of more than 1,000 handicapped people, the book tells people how to live in difficulty and how to cope with difficulty. This is a picture of the life of the handicapped people, as well as a vivid textbook.

The human impairments caused by various congenital and postnatal causes are a misery in human society. To weak persons, this misery means disaster, desperation, and even death; to strong persons, it means motive force, a chance to harden oneself, and a prelude to success. Of course, between the weak and the strong no impassable chasm exists; it is important to jump over this chasm. Should one give himself up, be pessimistic and desperate, or should one stand up and harden himself, be optimistic and adventurous? Here lies the watershed between success and failure. The experiences of the successful persons depicted by the book are a vivid proof.

Everyone has a road to go, but no one can leave the society which is the objective soil. Other than their own efforts, the disabled persons who are physically and mentally handicapped need society's respect, understanding, care, and help, including protection under the government's law and the spiritual and material conditions provided by the society. This is a duty for the government and society. This is lofty humanitarianism. Our party, which has the purpose of serving the people heart and soul; our outstanding socialist system; our government, which always thinks of the people and does things for the people; and our people, who have a high degree of socialist consciousness, have enabled humanitarianism to upgrade and refine. This is socialist humanitarianism of a higher order and a new nature. In our socialist motherland, it has become a social habit to respect, pay attention to, and help the handicapped. This point is fully embodied in the book.

I sincerely hope that our governments at various levels and our great masses of people pay more attention to the handicapped persons' learning, work, and daily life. I also sincerely hope that the great masses of handicapped friends, like the heroic models depicted by the book, can seriously study Marxism-Leninism-Mao Zedong thought; gain various professional knowledge and skills; and develop optimistic, self-strengthening, and devoted spirit, contributing their strength to materializing the building of socialism with Chinese characteristics proposed by Comrade Deng Xiaoping.

[Dated] 16 March 1991

Li Peng, Li Tieying at Rural Education Forum

OW2406164791 Beijing XINHUA in English
1354 GMT 24 Jun 91

[Text] Jinan, June 24 (XINHUA)—An international symposium on rural education closed today in Tai'an, a city located at the foot of the famous Mi Tai in east China's Shandong Province.

Delegations from more than 20 countries and several international organizations presented more than 80 theses addressing their countries' rural education systems and visited some rural schools in the province.

The seven-day symposium was sponsored by the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Children's Fund, China's State Education Commission and the Chinese National Committee of UNESCO.

Chinese Premier Li Peng and Li Tieying, minister in charge of the State Education Commission, met with the delegations in Beijing before the symposium opened.

Jiang Zemin on Strengthening Nationalities Work

OW2706100591 Beijing XINHUA Domestic Service
in Chinese 1152 GMT 26 Jun 91

[By Central People's Broadcasting Station reporter Liu Zhenying (0491 2182 5391) and XINHUA reporter Sun Benyao (1327 2609 1031)]

[Text] Beijing, 26 Jun (XINHUA)—At Huairentang in Zhongnanhai on 26 June, Jiang Zemin, general secretary of the CPC Central Committee, had an informal discussion with the Central Party School cadets studying the Marxist-Leninist theory on nationalities and the party's policies towards nationalities. Jiang Zemin pointed out: Upholding the CPC leadership is a fundamental guarantee for success in China's causes, including the work of nationalities. We must adhere to the Marxist-Leninist theory on nationalities and conception of nationalities, attach great importance to the work of nationalities, seriously implement the party's policies towards nationalities, and promote the co-prosperity of all nationalities.

Qiao Shi, member of the Standing Committee of the Political Bureau of the CPC Central Committee, and Ding Guangen, alternate member of the Political Bureau, member of the Secretariat, and head of the Central United Front Work Department, were present at the discussion.

Zhang Shengzuo, deputy head of the Central United Front Work Department, first gave a brief account of the current study class jointly sponsored by the Central United Front Work Department, the Central Organization Department, and the Central Party School. The principal aim of the current study class is to sum up the experience of the work of nationalities and draw a lesson

from it, study the new situation and new task of the work of nationalities, and further promote the development of unity and progress among China's nationalities.

Qian Fenyong, deputy secretary of the Inner Mongolia Autonomous Region Party Committee; Zhao Tingguang, vice governor of the Yunnan Provincial Government; Li Zhengwen, deputy secretary of the Yanbian Korean Autonomous Prefectural Party Committee, Jilin; Li Renshan, vice chairman of the Guizhou Provincial Committee of the Chinese People's Political Consultative Conference; and Keyum Bawudun, vice chairman of the Xinjiang Uygur Autonomous Region Government, spoke at the discussion one after another. They integrated their thinking with the reality in areas where people of all nationalities reside and offered many constructive ideas and made many constructive suggestions on further doing well the work of nationalities, particularly in economic development among nationalities and strengthening national unity.

After hearing their remarks, Comrade Jiang Zemin made an important speech. He said: The founding of the CPC has been a big event since the beginning of history and has brought hopes to this old, multi-national nation of ours. The 70-year history of building our party is a history of people of all nationalities uniting and fighting together to seek liberation and development under the CPC's leadership. Our practical experience in the past dozens of years has proved that without the CPC, new China would be out of the question, and that without the CPC, no minority nationalities could stand up, get emancipated, flourish, or make progress. Over the past dozens of years, our party's proletarian revolutionaries of the older generation, integrating the basic principle of Marxism-Leninism with China's realities of nationalities, have formulated a complete set of effective policies towards nationalities, including the policies of national equality, national unity, regional national autonomy and all nationalities flourishing and thriving together. As a result, we have found a way which has Chinese characteristics and can solve the question of nationalities and thus enriches and develops the Marxist-Leninist theory on nationalities. China's work of nationalities has been well done. There have been an earth-shaking changes in places where minority nationalities reside, and we have made tremendous achievements in all areas of work. All this is universally acknowledged. In order to successfully reach the magnificent goals set by the Outline of the 10-Year Program and the Eighth Five-Year Plan for China's National Economic and Social Development, we must conscientiously grasp these two major points: stability and development. It is therefore necessary to continue consolidating and developing the socialist relations of equality, unity, and mutual assistance between nationalities. We must be determined to promote the economic, scientific, educational, and cultural development in places where minority nationalities reside.

Jiang Zemin pointed out: According to the party Central Committee's relevant policies and past experience, in order to promote economic and social development in

minority areas, the state must, first, continue offering help in terms of financial and material resources and technology. Second, the spirit of self-reliance and arduous struggle should be developed in minority areas and among minority nationalities. Third, it is necessary to strengthen the lateral ties between coastal areas, developed areas in the interior, and minority areas. Fourth, while formulating policies, we must pay full attention to minority nationalities' and their areas' characteristics and never demand uniformity in everything.

He noted: It is necessary to continue training and bringing up a large number of cadres among the minority nationalities who have communist awareness, who resolutely safeguard the unity of the country, maintain close ties with the masses, uphold the Marxist conception of nationalities and religion, devote themselves to the revolutionary cause, and who have a deep sense of responsibility for revolution. When we conduct education in the Marxist conception of nationalities, we should pay attention to distinguishing between different layers and publicize it by positive measures. Our slogan is Long Live the Great Unity of People of All Our Nationalities; it stresses that people of all our nationalities share a common destiny and that their hearts are linked to each other.

General Secretary Jiang Zemin has placed great hopes on the nationalities cadres attending the study class. He said: The party Central Committee is convinced that in the 1990's, thanks to the common efforts of cadres of all nationalities, those residing in minority areas will certainly be able to make still greater contributions toward developing socialist relations between nationalities, promoting economic development and social progress, and spurring co-prosperity for all nationalities.

Central Institute of Nationalities Hosts Talks

Experts Hold Discussion

HK2506035991 Beijing RENMIN RIBAO in Chinese
13 Jun 91 p 4

[XINHUA report by Zhang Yinshu (1728 6892 2562): "Specialists, Scholars of Nationality Theories Hold Symposium on Eve of 70th CPC Founding Anniversary"]

[Text] Beijing, 12 Jun (XINHUA)—Theorists, scholars, and experts on nationality issues and officials in charge of nationalities affairs today held an academic symposium in Beijing to sum up nationality work experience and theory building by the CPC in the past 70 years since its founding and the party's contributions to the enrichment and development of Marxist nationality theory through the settlement of nationality issues in China.

Seypidin Aze, vice chairman of the National People's Congress Standing Committee, and relevant leaders, experts, and scholars from the CPC Central United Front Work Department, the State Nationalities Affairs Commission, the Chinese Academy of Social Sciences, the Central Institute of Nationalities, and Beijing University, totalling over 100 people, attended the symposium.

The experts and scholars held: In the brilliant course of party building over the past 70 years, the CPC has constantly applied the Marxist viewpoint on nationality issues to understand and handle China's nationality issues and has enriched and developed the Marxist nationality theory. In the early stages of party building, the CPC attached great importance to China's nationality issues. In later years, the party established the principle on autonomy of nationalities under the guidance of the Marxist nationality theory and incorporated the settlement of China's nationality issues and the struggle for the liberation, equality, and autonomy [zi zhu 5261 0031] of various minority nationalities into the party's objective in the struggle for the cause of new democratic revolution. Since the founding of the PRC, the implementation of nationality autonomy in areas inhabited mainly by minority nationalities has become the CPC's basic policy for settling the nationality issues in our country. The party's nationality policy has been continuously improved and developed in the political, economic, cultural, educational, language, and cadre training aspects. New nationality relations characterized by equality, mutual support, unity, cooperation, and common prosperity on the basis of the socialist principle have been built up between all nationalities in our country. Particularly since the Third Plenary Session of the 11th CPC Central Committee, nationality work has been adapted to the shift in the party's work focus and the underlying guidelines and tasks for the party's nationality work in the new period have been formulated.

Symposium participants said: The practice by the CPC in settling China's nationality issues over a long time has shown that, without the leadership of the CPC, the various nationalities would not have been liberated in China and formed today's equal and united socialist big family; neither would there have been the actual narrowing and elimination of the economic and cultural gaps between various nationalities left over from history.

Li Tieying Attends

HK2406125291 Beijing RENMIN RIBAO in Chinese
12 Jun 91 p 4

[Report by staff reporter Wei Yufeng (7614 3768 7364): "Li Tieying Attends Meeting To Mark 40th Founding Anniversary of Central Institute of Nationalities"]

[Text] Beijing 11 Jun (RENMIN RIBAO)—A joyful atmosphere fills the Central Institute of Nationalities today. Scores of thousands of teachers, students, workers, and staff members of some 50 nationalities have gathered here to ceremoniously mark the 40th founding anniversary of the Central Institute of Nationalities. Attending the meeting were Li Tieying, Seypidin Aze, Chen Junsheng and Ismail Amat.

The Central Institute of Nationalities is an epitome of China's big family of nationality solidarity and progress. It was first founded on 11 June 1951 under the direct concern of the CPC Central Committee and the State Council. Party

and state leaders Mao Zedong, Zhou Enlai, Liu Shaoqi, Zhu De, and Deng Xiaoping have received the institute's teachers and students on scores of occasions.

The Central Institute of Nationalities has developed, over the past 40 years, from a training class for military and political cadres, a class of Tibetan language, several professional teachers and some 260 students at its initial stage to a national key institute of tertiary education boasting 22 departments, eight research centers, 91 specialties, some 2,600 teachers, workers, and staff members, and some 6,000 students on campus. It has brought up and transferred some 26,000 professionals in various categories to various state departments and nationality regions, of whom, many have become the political, economic, cultural, science, technological, and cultural backbone in minority nationality regions.

In the wake of the gathering, Li Tieying attended a discussion meeting for representatives from 12 institutes for nationalities nationwide.

Jiang Zemin, Song Ping Hail Working Class

HK2506111791 Beijing RENMIN RIBAO in Chinese
13 Jun 91 p 1

[Report by XINHUA correspondent Zhu Youdi (2612 1635 2769) and RENMIN RIBAO reporter Xu Rujun (1776 1172 0193): "Song Ping Addresses Forum Calling for Wholehearted Reliance on Working Class; Forum Attended by Leading Comrades of CPC Central Committee, State Council Departments, Enterprises"]

[Text] Beijing, 12 June (RENMIN RIBAO)—The Central Committee, relevant State Council ministries and commissions, and leading comrades of some enterprises today conducted a forum at Huairan Hall in Zhongnanhai, on ways to carry out the principle of wholeheartedly relying on the working class. Song Ping, Standing Committee member of the CPC Central Committee Political Bureau, pointed out that since the Fourth Plenary Session of the 13th CPC Central Committee, Comrade Jiang Zemin has repeatedly stressed a wholehearted reliance on the working class. This is a very important issue which is determined by the nature of our party and the state.

Song Ping pointed out that our enterprises are socialist enterprises whose masters are the workers. In deepening enterprise reform, improving the enterprise leadership system, and strengthening enterprise management, we must implement the principle of wholeheartedly relying on the working class. The most fundamental way to run enterprises well and strengthen their vitality, apart from external conditions, is to further awaken the master spirit of the working class and give full play to their motivation and creativity. Once we achieve this, no difficulties will be too great to overcome. Of course the working class must also strengthen the construction of their own power. They must do a good job of workers' ideological and political work, educate workers with a sense of historical mission and their duty as masters,

help them continually heighten class consciousness and strengthen organization and discipline. At the same time they must conduct education in science, culture, and technology and achieve a comprehensive increase in worker quality. Only by doing so can our working class shoulder their great historical mission.

Attendees at the forum included Ni Zhifu, vice chairman of the National People's Congress Standing Committee and chairman of the All-China Federation of Trade Unions, responsible persons from the relevant state departments, Li Zongtang, Gu Xiulian, He Guanghui, Tu Yourui, Hu Fuguo, Zhang Delin, Du Yuzhou, Wang Rulin, Lu Youmei and responsible persons from some large enterprises, Wang Rongsheng, Luo Bingsheng, Huang Zhixin and Zhao Huaxing.

Ni Zhifu said at the forum that the working class is the country's leading class. The principle of resolutely and wholeheartedly relying on the working class carries an important significance for consolidating the socialist front, maintaining political, economic and social stability and opposing peaceful evolution. We must combine the implementation of the principle of wholeheartedly relying on the working class with the efforts to deepen enterprise reform. Reform of the enterprise leadership system must help the mass of workers exercise the spirit of master and must be done in such a way so as to mobilize their motivation for democratic enterprise management. On the question of distributing enterprise benefits, we must consider both the motivation of contractors as well as the broad mass of workers, in particular those at the forefront of the production line. Workers at some enterprises are quite highly paid but their motivation is not high. Why? We party members and cadres must take a lead in demonstrating a spirit of dedication.

Hu Fuguo, general manager of the China National Coal Mine Corporation, said that we as leading cadres must venture deep into enterprises and among workers to listen to their requests and calls, and resolve their difficulties and worries, including difficulties for families of workers who die on duty. There are three problems urgently awaiting solution in the coal mining industry: Production safety, housing and finding jobs for their children. All these have been listed as focal points for the corporation's work this year. We resolve to further change our work style and to understand, at the world outlook level, the significance of reliance on the working class.

Zhang Delin, vice minister of the Machine-building and Electronics Industry Ministry, briefed the forum on a poll of close to 10,000 machine-building and electronics workers. He said that the principle of wholeheartedly relying on the working class has not been genuinely implemented at many enterprise and this has prompted strong complaints from workers. There are as yet no party members in many work teams at the forefront of production and this deserves our serious attention. At present, while continuing to propagandize the principle

well, we must devote particular efforts in grasping implementation work. Luo Bingsheng, acting general manager of the Capital Iron and Steel Company, said that there are two fundamental experiences the company had gained most from over the last few years of reform: Recognition of taking personnel as the center and the contract system as the core; and a wholehearted reliance on the working class, allowing them to exercise the spirit of master and creativity. When tens of thousands of steel workers view themselves as masters of their enterprise, our reform then enjoys the broadest foundation and a guarantee for success.

Lu Feng, Central Organization Department head; Xue Ju, executive vice president of the Central Party School, and Wang Weicheng, director of the Central Policy Research Center and others, also participated in today's forum.

Jiang Zemin Visits Henan Buddhist Temple

HK2406122491 Hong Kong LIAOWANG OVERSEAS
EDITION in Chinese No 24, 17 Jun 91 pp 3-4

[Article by Zhao Derun (6392 1795 3387): "Conversation With Jiang Zemin at Buddhist Temple"]

[Text] It was a drizzly spring day in Luoyang, the capital of nine ancient dynasties.

Jiang Zemin, general secretary of the CPC Central Committee, had just attended a forum here of large- and medium-sized enterprise directors and managers of Henan Province. In the company of Henan Provincial CPC Committee Secretary Hou Zongbin and Henan Governor Li Changchun, the general secretary paid a visit to Baima Temple in the eastern district of Luoyang. The temple, built in the 11th year of the reign of Yongping Emperor of the Eastern Han Dynasty, is China's first Buddhist temple; it is now more than 1,900 years old.

Master Yinshan, temple abbot, first showed the general secretary and other visitors the stone tablet erected during the Sui Dynasty which carries the temple's history. Then they toured Daxiong Hall, Tianwang Hall, Reception Hall, and Qingliang Terrace, the place where the Ming Emperor of the Han Dynasty was educated when he was young and where two senior Buddhist masters from India had translated Buddhist classics. During the tour, Jiang Zemin had a chat with the accompanying monks, discussing the Buddhist history and creed with them. The general secretary stopped for awhile in front of the two couplets put up in a hall of the temple. One of the couplets read: "The Buddha Is So Broad Minded That He Can Tolerate Many Intolerable Things in This World; His Smiling Face Looks So Kind That All Mean People Look Ridiculous." The other read: "Although It Rains Over a Vast Land, Grass Without Roots Cannot Benefit From It; Although the Door of Buddhism Is Opened Wide, Wicked People Cannot Go Through It." Jiang Zemin told his companions to jot down the couplets.

Master Yinshan then invited the general secretary and other visitors to have some tea in a guest room of the temple.

As soon as they were seated, a monk with the Buddhist name Yinzhong came in to serve tea. The general secretary cordially asked him to sit down and had a chat with him.

"What is your secular name?"

"My name is Tao Cuizhong."

"How old are you and where are you from?"

"I am 24 years old. My home town is Guiyang City, Guizhou Province."

With an air of concern, the general secretary asked: "You are so young, and you came from the remote province of Guizhou to become a monk here in Henan. It is really special. Could you tell me why you chose to become a monk?"

The monk Yinzhong was hesitant about telling his story. Jiang Zemin spoke to him in a sincere manner: "Do not worry. Let us have a chat. Frankly tell me about any setbacks and frustrations you have experienced in your life."

Encouraged by the general secretary's kind attitude, the monk Yinzhong began to tell what was on his mind. He had a happy family—his father was a cadre and his mother a worker; Yinzhong had been assigned to work in Guiyang, the province's capital city, after his graduation from a technical secondary school.

"I was satisfied with my job, and I had planned to work hard for the people. However, when I saw all the corrupt phenomena and malpractices in society, I began to be frustrated. I did not want to associate with corrupt people, but I felt helpless in face of reality. So I always felt disappointed and perplexed. Therefore, I came to Baima Temple last year, in search of spiritual emancipation."

What the monk said deeply touched Jiang Zemin. The general secretary spoke seriously to those around him: "An old verse comes to my mind: 'If you want to know something about history, you need only have a look at Luoyang City.' Luoyang was the capital of nine dynasties. The rise and decline of this city reflected the prosperity and doom of feudal dynasties in China. When we review the history of all these dynasties in China in retrospect, we find that all dynasties experienced the struggle between corrupt and anticorrupt forces without exception. What is honesty and what is treachery? Those who serve the people are honest and those who practice corruption are treacherous. We should particularly guard against those who preach good but do evil or the double-dealers who say yes and mean no."

"The CPC's motto is to wholeheartedly serve the people," Jiang Zemin continued. "We communists have always resolutely fought corruption. Before we took over urban areas and liberated the country, at the Second

Plenary Session of the Seventh CPC Central Committee, Comrade Mao Zedong urged all the party to observe 'two musts' and warned of the enemy's attack with sugar-coated bullets. In his book 'In Memory of the 1644 Uprising on Its 300th Anniversary,' Guo Moruo drew a lesson from the failure of Li Zicheng. The historical lesson told us that if we fail in the struggle against corruption, there will be no hope of success in our efforts to build a socialism with Chinese characteristics."

At this point Jiang Zemin turned to Yinzhong and said to him in a sincere tone: "The past few years witnessed the prevailing of some corrupt phenomena and unhealthy trends within the party and in the community. But I assure you, the CPC is determined and able to fight corruption. To be sure, I am not in a position to force you to change your decision. However, the malpractices in your home town will not stop simply because you have become a monk. Trust the party and the government, and resolutely fight corrupt phenomena and unhealthy tendencies!"

The monk looked contented. He asked another question to probe the general secretary's view: "Should the value of Buddhism, as an old religion, be recognized?"

Jiang Zemin said: "In China, besides Buddhism, we have Taoism, Christianity, Catholicism, and Islam. The Chinese Constitution provides that the citizens enjoy the freedom of religious belief, and the party and the government will foster some people to undertake religious work. The world of knowledge is immense. There is a long history of development of religions which made some contributions to historical culture. My hometown, Yangzhou, is an ancient cultural city. When I was a teenager, I read Master Su Manshu's works. Today I still remember some of his poems. I did listen to choral praise of the Virgin Mary, which is some really beautiful music. Communists are atheists, and yet the Constitution provides that the citizens enjoy the freedom of religious belief. This is not contradictory. Some people complain that we have treated religions as heresies. This is a wrong accusation. In this country, there are both the freedom of religious belief and the freedom of propagating atheism. However, any attempt by Chinese and foreign hostile forces to infiltrate China and launch peaceful evolution under religious camouflage is not tolerated. This is our view. Do you agree with me?"

Yinzhong nodded in approval.

After a short pause, Jiang Zemin went on speaking in a louder voice: "Although there is a substantial difference between the faith in communism and religious belief, all of us love the great Chinese nation and the socialist motherland. Our nation and country have a long history and a brilliant culture. We lag behind others only in modern times. As long as the Chinese nation is united, we will be able to build our country well. All of us must serve the people. The CPC is a party to serve the people. I believe that we are bound to manage China well as long as we can all unite with each other under the banner of patriotism. I think you will also agree with me on this point?"

Smiling from the depths of his heart, the monk Yinzhong happily said: "You are absolutely right!" The reception room was filled with a lively atmosphere.

On one side was the general secretary of the CPC and on the other was a monk who had converted to Buddhism because of frustration and perplexity. The leader and the ordinary person talked with each other cordially and peacefully.

As it was about sunset, Jiang Zemin bade farewell to the hosts. Yinzhong and other monks of the temple accompanied the general secretary to the main gate of the temple and saw him off. As the car was leaving Baima Temple, the general secretary was still thinking about the conversation he had just had with the monk in the temple. He reminded the accompanying cadres again and again: "This case should be thought about over and over again. We must work really hard to promote honesty in government operation."

Art Troupe Commended on Performance in Tibet

Officials Attend Ceremony

OW2406212291 Beijing XINHUA Domestic Service
in Chinese 0922 GMT 24 Jun 91

[By Shao Jianwu (6730 1696 2976)]

[Text] Beijing, 24 Jun (XINHUA)—The Culture Ministry held a meeting in Beijing today to commend the art troupe of the Central Delegation to Tibet.

Liu Xiaoli and 47 others were accorded the "Qomolangma Award for Excellent Performer," and Liu Biyuan and 14 others were accorded the "Qomolangma Award." These 63 people were cited for meritorious service. The performance team from the Performance Specialty of the Department of Chinese Folk Dance of Beijing Dance College, the Wumei Team, and the Folk Music Team of China Opera and Dance Drama House were accorded the "Qomolangma Award of Excellent Performing Group." The Central Song and Dance Ensemble and 14 other units that sent performers and staff to Tibet were also commended.

From 16 May to 11 June, enduring such hardships as the lack of oxygen on the plateau, the art troupe of the Central Delegation to Tibet traveled more than 2,000 km in 26 days, staged 20 performances for some 50,000 people, and was highly praised and warmly welcomed by party, government, and military leaders at all levels and the people of all nationalities in Tibet.

Jiang Zemin, Song Ping, Li Ruihuan, Ding Guangen, Yang Baibing, Wang Renzhi, and other leading comrades were briefed by the art troupe on its return to Beijing and they spoke highly of the troupe's work.

Comrade Jiang Zemin commented on a report by the art troupe: "In its performance in Tibet, the central art troupe endured the hardship of lack of oxygen in high altitude, and was warmly welcomed by the people in

Tibet. The responses have been very favorable. This was a good way to temper the comrades of the art troupe. I hope all of you will further enhance what you have achieved, reach out to the masses, redouble your efforts, and score even greater achievements."

Li Ruihuan, Li Tieying, Ding Guangen, and Wang Renzhi attended today's commendation meeting.

Speaking at the meeting, Li Ruihuan said: The deeds of the Tibet-bound art troupe show that our literary and art troupe is a fine one, that it can be organized to conduct impressive performances at critical moments, and that it can respond to the party's call and fulfill the tasks entrusted by the party. Besides, it also shows that the people need art, and vice versa. Reaching out to the people and serving them is the direction to follow in artistic work. It is also a correct way for art to express its value and for artists to distinguish themselves and grow. We should do a good job in publicizing the deeds of the Tibet-bound art troupe, and encourage and guide the people to render meritorious service for the socialist motherland and the four modernizations drive.

In his speech, Li Tieying said: In Tibet, I personally witnessed your excellent performances and learned of your moving deeds. Today, I was again moved after hearing your stories. You have accomplished the tasks entrusted by the Party Central Committee, the State Council, and the people of all nationalities throughout the nation; achieved honor for artists; and confirmed the truth that people need art and that art needs people even more, and that people are the mother of art. Many excellent artists are sure to emerge during the great period of rejuvenating the Chinese nation. Your performances in Tibet and your sacrificial spirit have testified to this maxim: Through sacrifice, art becomes more perfect, spirit is sublimated, and value is realized. Your trip to Tibet is a song of sacrifice by artists.

In his speech, Wang Renzhi hoped that the many literary and art workers would learn from the literary and art workers of the art troupe of the Tibet-Bound Central Delegation, and learn from the people. Leaders of literary and art work at all levels should actively offer the necessary opportunities and conditions for literary and art workers to reach out to the masses and be immersed in life, so that our literary and art workers will, as expected by Comrade Xiaoping, consciously receive nutrition from people's lives, and feed themselves with the enterprising spirit of the people in creating history. This is the fundamental way to bring about prosperity of our socialist literature and art.

Chen Changben, head of the Tibet-bound art troupe, and Liu Xiaoli, Wen Xinmei, and Niu Qun, representatives of performers and staff, described their performances and other activities in Tibet. Some of their wonderful descriptions aroused warm applause from the audience.

Also attending today's commendation meeting were He Jingzhi, Xu Zhijian, Gao Zhanxiang, Zhang Shengzuo, Wu Jinghua, Zhu Li, and Xu Wenbo.

Li Ruihuan Speaks

OW2406143891 Beijing XINHUA Domestic Service
in Chinese 0921 GMT 24 Jun 91

[Speech by Li Ruihuan on 24 Jun at a Gathering to Commend the Art Troupe of the Central Delegation for Their Performance in Tibet]

[Text] Beijing, 24 Jun (XINHUA)—After listening to the speeches of several comrades, I have learned a lot and cannot help but say a few words.

First of all, I would like to convey my congratulations to the units and comrades who were commended! I would also like to extend my highest regards to all the comrades of the art troupe for their performance in Tibet!

Thanks to the support of party, government, and military leaderships at all levels as well as the people of Tibet, the comrades of the art troupe have carried forward the spirit of not fearing hardship, tenacious struggle, unity, mutual assistance, and selfless dedication, and conveyed the deep affection of the people of all races in China to the tens of thousands of households in Tibet. You have made important contributions toward successfully completing the celebration to mark the 40th anniversary of the peaceful liberation of Tibet, improving affection between nationalities, strengthening national unity, and defending the motherland's integrity. Leading central comrades fully confirm and speak highly of what you have done.

The achievements of the art troupe in Tibet proved that our literary and art contingents are good. At the critical moment, they have lived up to expectations, responded to the party's call, and fulfilled the mission entrusted by the party. At the same time, it also proved that the people need art, and art needs people. The orientation of artistic work is to gear them toward the people and to serve them. It is also the proper avenue for art to express its value and for artists to show their promise and maturity.

We must publicize the achievements of the art troupe in Tibet well, and encourage and guide the people to serve the socialist motherland and the modernization drive. All of us must learn from the comrades of the art troupe, and unite and work hard to foster a thriving socialist literature and art by upholding the orientation of serving the people and socialism better, and implementing the principle of letting a hundred flowers blossom and a hundred schools of thought contend.

Jiang Zemin Speaks

OW2706061791 Beijing XINHUA Domestic Service
in Chinese 0950 GMT 26 Jun 91

[By Central People's Radio Network report Liu Zhenying (0491 2182 5391) and XINHUA reporter He Ping (0149 1627)]

[Text] Beijing, 26 Jun (XINHUA)—The United Front Work Department of the CPC Central Committee and

the All-China Youth Federation held a get-together this afternoon to congratulate the Central Art Troupe on its successful performance in Tibet.

Jiang Zemin, general secretary of the CPC Central Committee, attended the get-together and gave an ebullient speech. He said: The visit of the Central Art Troupe to Tibet shows us that selfless dedication is a kind of spiritual strength that inspires artists' creative urge and brings their creative ability into full play. Such dedication was needed in the revolutionary war years, and it is also needed in the drive for socialist modernization. It is this spirit of dedication that has deeply touched the audience by the tens of thousands. Art is raised to a higher level through dedication, and artists acquire their worth also through dedication.

The get-together was held at the United Front Work Department of the party Central Committee. More than 150 people were present, including Jiang Zemin, Li Ruihuan, Ding Guangen, and other leading comrades of the party Central Committee, as well as members of the Central Art Troupe commended by the Ministry of Culture for their performance in Tibet and young and middle-aged literary and art workers. They happily got together also to greet the "1 July" anniversary of the party.

Jiang Zemin made an impromptu speech amid warm applause. He first congratulated the Central Art Troupe on its successful performance in Tibet. He praised its members for serving the masses at the basic level and encouraged them to continue to do so.

Jiang Zemin said: As the party's 70th founding anniversary is approaching, I am happy to get together with literary and art workers. Particularly after hearing a briefing on the Central Art Troupe's performance in Tibet, I feel that only by delving into reality and maintaining flesh-and-blood ties with the masses will literary and art workers keep the vitality of art and the inexhaustible sources of materials for creating and performing. He pointed out: Literary and art workers should act persistently in the spirit of Chairman Mao's "Talks at the Yanan Forum on Literature and Art." All artistic creations should originate from life but should be on a higher plane than the latter. Only by going among the masses often will literary and art workers be able to portray the initiative with which the masses of people make history.

After briefly explaining literary and art workers' role in the party's revolutionary cause, Jiang Zemin encouraged large numbers of literary and art workers, under the leadership of the party, to keep to the orientation of literature and art by serving the people and socialism; uphold the policy of "letting a hundred flowers blossom and a hundred schools of thought contend"; give full play to the role of literature and art in educating and inspiring the people; and make persistent efforts to score even greater achievements in promoting the thriving of socialist literature and art.

He Jingzhi Urges Greater Cultural Control

HK2506011991 Beijing WENYI BAO in Chinese
No. 17, 4 May 91 pp 1, 4

[Article by He Jingzhi (6320 0037 2417): "Some Thoughts on Current Cultural Missions, Tasks: Answering WENYI LILUN YU PIPING Reporter's Questions"—originally carried in 1991 third edition of WENYI LILUN YU PIPING; first paragraph is WENYI LILUN YU PIPING editor's note]

[Text] Last December, before the Seventh Plenary Session of the 13th CPC Central Committee was convened, in order to understand the thoughts of the responsible persons of party and government departments in charge of cultural affairs on the arrangements for the next phase of cultural tasks, a reporter from this journal interviewed Comrade He Jingzhi. He spoke frankly on some of his views, at the same time stressing that they were only his own immature thoughts and meant for exchange of viewpoints. The actual arrangements for the next-phase cultural work by concerned leading departments would be made after the Seventh Plenary Session in accordance with organizational procedures. Now, almost six months has passed. We feel that Comrade He Jingzhi's talk corresponds with the spirit of the Seventh Plenary Session and would bring enlightenment to practical work. Having obtained his permission, we publish the full text.

At present, our country is in a critical period of further improvement and rectification, deepening reform and realizing stable political, economic and social development for the country. Globally, the international situation is undergoing significant change and the socialist cause is facing new challenges. In the year or so since the quelling of the rebellion, a new and better turn has been taken in cultural and artistic work, but the burden is heavy and the road long. We must continue to resolutely implement the party's basic line, comprehensively implement the party's cultural and artistic principles, carry out the policy of one hand grasping rectification and the other grasping prosperity, deploy every positive factor, develop the good situation that has already appeared on the cultural frontline, promote socialist culture and art and achieve new prosperity, and serve the construction of socialist modernization and work hard for the construction of socialist spiritual civilization. Specifically, then, exactly what are the missions for the cultural front in our country for now and a certain time in the future? My personal view is that, chiefly, we must handle the following eight tasks well:

I. Vigorously strengthen ideological construction, conduct in-depth and sustained education in resolutely adhering to the four cardinal principles and wage struggle against bourgeois liberalization.

The resolutions of the Fourth, Fifth, and Sixth Plenary Sessions of the 13th CPC Central Committee summed up historical experiences and are the guiding principles for work on various frontlines at present. Departments on the cultural front, on the basis of handling well the screening

and straightening out work and the organizational rectification, must continue to mobilize work staff of their own departments to intensively study Marxism-Leninism-Mao Zedong Thought and the basic theories of scientific socialism, *Deng Xiaoping on Literature and Art*, and the spirit of central resolutions with the spirit of rectification movements, and must really unite the understanding of significant issues with the central spirit and requirements, and set up arrangements and operational measures to implement the central spirit in combination with the practical situation of their departments.

The cultural sector was the area worst hit by bourgeois liberalization. Although the antiliberalization education and struggle over the last year or so have scored notable results, more arduous work lies ahead. One long-term and important mission for cultural work is to launch in-depth and sustained education in resolutely adhering to the four cardinal principles and wage struggle against bourgeois liberalization. Cultural departments at various levels should list this mission as important work in their agenda, study various relevant activities through the organizations, guide cadres of various ranks and cultural and artistic workers to fully appreciate the serious nature of the acute confrontation between liberalization and adhering to the four cardinal principles, recognize that reform and opening up must maintain the socialist direction and Marxist guidance, and recognize the danger of the "peaceful evolution" staged by international anticommunist and antisocialist forces, so as to heighten the consciousness of the broad mass of cultural and artistic workers against bourgeois liberalization and other incorrect ideology. Here the important thing is to relate the work to practical situations, especially to those in one's own region or department. Only by closely relating the work to practical situations can we gradually deepen the antiliberalization education and struggle.

To overcome the influence of bourgeois liberalization in the depth of our thinking, we must continue to organize, with plans, writing and the publication of convincing and theoretically profound articles and books. There must be in-depth theoretical criticism against outstanding bourgeois liberal views, namely themes that obviously oppose the four cardinal principles; moreover the bourgeois world outlook, political view, sense of values, life, society, literature, and art, which serve as the ideological and theoretical foundations for bourgeois liberalization, also must be subject to in-depth and systematic cleansing and criticism through theoretical discussion and contention, in order to clarify theoretical truths confounded by liberalization and other erroneous thought. For these purposes, the media opinion front of the cultural system must formulate a propaganda plan of adhering to the four cardinal principles and opposing bourgeois liberalization, and see that this goes out on the front pages of newspapers and is implemented in book publication. They must maintain unrelentingly socialist thought's occupation of the media opinion and cultural fronts. While underlining antiliberalization, we also

must take note of and prevent wrong "leftist" tendencies, which must be resolutely put right and overcome once spotted.

II. Conscientiously implement the "two fors" and "double hundred" policies, further enliven literary and artistic creation, invigorate literary and artistic criticism, and develop literary and artistic theoretical study.

Rectification is the necessary condition for prosperity, and prosperity is the goal for which rectification is undertaken. We must oppose bourgeois liberalization with a clear-cut stand and continue to handle rectification work well. At the same time, cultural departments at all levels must act according to the requirements of the "two fors" and "double hundred" policies, adopt various practical measures to mobilize the incentive and creativity of literary and artistic workers, and on the basis of practical conditions formulate short- and long-term outlines for enlivening literary and artistic creation and for strengthening literary and artistic criticism (including outlines for periodic field visits by writers, artists, and literary and artistic theorists). Cultural departments should give prominence to main-theme creative works that correctly recognize and express the new socialist age, highlight the spirit of the socialist age, and have clear nationality characteristics; they should promote and support these works. At the same time they must promote the multiple development of content, form, style, schools, and creative methods, and must encourage exploration and innovation under the premise of the "two fors." In the past we advocated the creative methods of revolutionary realism, revolutionary romanticism and combined revolutionary realism and revolutionary romanticism. Using these creative methods, we created many distinguished works of relatively high intellectual and artistic value which were welcomed by the masses. Now we still support writers and artists using and developing these important creative methods. A few years ago some people distorted or exaggerated the shortcomings of these methods in practice, and they undermined and negated them for this reason. We do not approve of this, although, of course, these creative methods should not monopolize the field. Creative methods remain closely related to the guidance of world outlooks, but they are not the same as world outlooks. Creative methods are related to world outlooks in an artistic way. With the guidance of a correct world outlook, we will encourage various kinds of explication of artistic methods, which will promote a state of letting a hundred flowers blossom for literature and art. Literary and artistic criticism must seek truth from facts, should be alive and active, should advocate Marxist academic and writing style, should commend in a clear-cut stand those that should be commended and clearly criticize those that should be criticized, and should not be vague in matters of principle. Literary and artistic criticism must attach particular importance to and support amateur literary and artistic criticism by the masses. We must allow both criticism and counter-criticism, making the two a regular feature in literary and artistic work.

Literary and artistic theoretical study must be closely related to reality; must actively make new theoretical synopses on universal problems present in current literary and artistic creation, thought, and management; and must work hard under the guidance of Marxism to strengthen efforts to open up new fields in literary and artistic theory and the building of new disciplines. The Central Propaganda Department, the Ministry of Culture and the Ministry of Radio, Film, and Television drafted for these specific purposes documents to bring prosperity to literary and artistic creation and to strengthen literary and artistic criticism, and at the same time are preparing to call several expert meetings to discuss problems of enlivening creation and strengthening criticism.

Literary and artistic awards have an important guiding function for creation and criticism. We must actively rectify and improve work on various literary and artistic citations and awards on the basis of a serious summing up of experiences, the most important of which is to determine, according to correct principles, the standards for citations and awards and the composition of the judging panels. Citations and awards of great authority and significant influence should have representatives from various social circles on their judging panels, so that citation and award results can reflect the majority's opinions and requests, and this will serve a greater function for enlivening literature and art.

Cultural departments at all levels should provide writers, artists, and literary and artistic theorists with conveniences in their forays into real life and realities, and also should create a good spiritual environment for their creative labor. The Central Propaganda Department and the Ministry of Cultural Affairs, together with concerned departments, intend to further formulate and improve the censorship system on the publication and staging (or showing) of works, the arrangements of article contribution fees, royalties, and theater royalties, and the system of fund foundations for the encouragement of creation. This is to protect the legitimate rights of writers and artists and to provide them with an incentive to climb to the peak of socialist culture and art.

III. Actively and steadily develop various cultural undertakings in accordance with the requirements of the construction of a socialist spiritual civilization.

We must vigorously develop mass, minority nationality, and juvenile and children's culture, and persist in occupying the wide cultural activity fields with arts of socialist and healthy thought. We must adopt a variety of active and lively ways to absorb people into healthy and positive cultural activities based on the different needs in the spiritual and cultural lives of the masses of different occupations, regions, nationalities, and age groups, in order to cultivate, educate, and encourage them through entertainment. We must continue to solve the remaining problems in the construction of the masses' art halls, cultural halls, and cultural stations; work to ensure that the four aspects of facilities, budgets,

staff arrangement, and activities are all effective; pay attention to a rational allocation of mass cultural activity venues in new urban and rural residential areas; and expand the scope of mass cultural activities. We can employ the combined state, collective, and individual method regarding fund sources. Mass cultural units, under the premise of social efficiency, must use existing resources and conditions rationally, and launch various forms of paid services to strengthen financial power for independent development.

Library work must further extend its scope of service and serve the progress of science and technology, as well as economic and cultural prosperity, in addition to educational, ideological and political work, and party construction. To fully exploit the information power of libraries in different areas and departments, we must further strengthen coordination among the country's libraries and quicken the transmission of information among them. County-level libraries must continue to strengthen foundation work, work to solve the problem of serious shortages in book purchase funds, and adopt effective measures to provide convenience to readers and raise service quality.

Departments protecting cultural relics must mobilize the entire society to implement and give further publicity to the "PRC Law Protecting Cultural Relics" and strengthen the protection of cultural relics. At present, we must continue to coordinate closely with concerned departments to sternly crack down on criminal activities of the stealing and smuggling of, and illegal operations involving, antiques and cultural relics, and must further strengthen the foundations of management and of safety and security for the protection of cultural relics. We must actively extend and employ advanced science and technology, gradually make scientific the ways and means of protecting cultural relics and to prevent and control their damage by natural elements. We must correctly handle the relationship between protecting and using cultural relics, launch business operations involving cultural relics with controlled steps and plans, and strengthen protective work on them. We must give full play to the propaganda and education of protective work of cultural relics, transforming work in this area into an important front for extending scientific knowledge, education in patriotism, reinvigorating the national spirit, and strengthening national cohesiveness.

While further strengthening exchanges between Chinese and foreign cultures, we should pay serious attention to the complicated and acute struggle between different systems and ideologies, and should resolutely oppose the infiltration of reactionary and corrupt intellectual culture and politics. We must keep an eye out for the quality of cultural exchange programs, whether they are brought into the country or are sent and staged overseas, so that these programs will help propagate our country's distinguished cultural achievements, especially the socialist cultural achievements, and help us learn critically from distinguished foreign cultural achievements. In exchanges with foreign cultures, we must further

strengthen the management, by respective concerned departments, of centralized examination and approval, balance and coordination, and consultative services while simultaneously paying attention to activating the incentive of localities and departments, and actively launching nongovernmental exchanges with foreign cultures. Special meetings must be called to discuss overall foreign cultural exchanges in connection with the implementation of relevant documents.

We must strengthen and perfect management over cultural markets: "sustain the advanced and help the backward in order to encourage the vast majority to move along"; vigorously support and encourage every cultural operation and activity endowed with clear-cut socialist ideology and able to directly benefit the cultivation of a new generation of "four-have's"; resolutely halt and ban every harmful and illegal cultural operation and activity; allow and encourage, and at the same time guide and improve, cultural operations and activities that are devoid of clear-cut ideological content but benefit people's mental and physical well-being; further strengthen regular cultural market management; and consolidate and develop earlier rectification and screening results. Cultural departments at localities, led and supported by local party committees and government departments, must set up special cultural market management organs as quickly as possible, provide them with special staff, formulate and improve rules and regulations on cultural market management based on various local conditions, and conduct management in accordance with the law.

We must quicken the formulation and perfection of corollary and supporting cultural and economic policies, gradually and fundamentally change the serious shortage of funds for cultural undertakings, old facilities, and backward technology, and promote the healthy development of various cultural undertakings with economic means. The Ministry of Culture has formulated a document on the several problems concerning cultural economic problems for submission to the State Council, chiefly to resolve the several specific problems currently most pressing but also most amenable to solution. Much more work remains to be actively pursued for the formulation and coordination of the entire cultural economic policy. Meanwhile, while adhering to the premise of making social efficiency an overriding concern, all cultural units must adapt to new situations, strengthen and improve economic management, and boost their own economic vitality for self-development by tapping internal potential. **IV. While continuing with improvement and rectification, we should deepen reform in the cultural and artistic administrative structure.**

The reform in the cultural administrative structure a few years ago made many valuable explorations and scored results, especially in the structural reform of artistic and performing troupes, but these were all preliminary. Some practices have not been fulfilled very well yet, at the level of operational mechanisms, the requirements posed by the law of the development of cultural and artistic work, and particularly in the unique law of the development of

our country's socialist culture and art. At present, on the basis of a serious summing-up of experiences and lessons gained in experiments a few years ago, and while continuing to remedy and rectify the chaos created by bourgeois liberalization and other wrong intellectual currents, we must actively and cautiously deepen reform.

Cultural structural reform must coordinate in pace with the progress in economic and political structural reform, and must dovetail with conditions and work on all sides of society. Therefore, in specific practices, all sides should coordinate with each other; follow in order; and advance step by step with leadership, plans, and steps, so that the work can achieve the results expected.

The purpose of caution and coordination is to press ahead with reform and not to do the opposite. Cultural structural reform is also a profound reform, and we must heighten the sense of urgency and the psychological capacity of endurance, and must give play to the spirit of bold exploration and brave search to push forward reform. The Ministry of Culture has formulated a document concerning reform in artistic and performing troupes and has submitted it to the State Council. When the State Council approves the document, all artistic and performing troupes must actively pursue structural reform as required by the document and according to their own practical conditions. Regarding structural reform in other cultural departments, although for the moment there cannot be produced a ready-made and universally applicable document, concerned cultural departments and groups at all levels still must exercise initiative and creativity, and actively explore new paths of reform. For instance, cultural administrative departments must trim staff, streamline work, and raise work efficiency; mass cultural associations (various artist societies and associations) must actively pursue structural reform in combination with rectification; academic societies of all kinds of cultural work must, on the basis of rectification, pursue reform in line with the need to give full play to mass self-rule; and art education must uphold a correct political direction and cultivate qualified talent. All this work must produce a reform program based on the experience of pilot projects. Moreover, we also must actively seek ways to build a better leadership system for overall cultural work. It is hoped that local party committees and governments will give the necessary support and coordination for problems such as labor personnel, social insurance, finance and tax revenues, industrial and commercial administration, and planning and banking involved in structural reforms by local cultural units, so that these problems may be resolved reasonably. Central cultural departments must provide structural reform at local cultural units with the necessary guidance and must promptly understand and sum up experiences and problems in reforms in various localities so as to ensure that reform progresses smoothly and not in a zig-zag fashion.

V. Adopt practical measures to strengthen the construction and unity of the cultural and artistic force.

We must strengthen the ideological and political work in the cultural force in a down-to-earth manner. Cultural departments at various levels must connect current situations with the actual thinking of cultural workers, organize cultural workers to study basic Marxist theories and the party Central Committee's relevant documents, and continually deepen the four modernizations and reform in their practical lives, while simultaneously strengthening regular ideological and political work, helping them raise self-consciousness for transforming their subjective worlds while transforming the objective world, and heightening their political awareness and sense of social responsibility. We must vigorously strengthen education in professional ethics among cultural forces, promptly cite and propagandize advanced people and deeds, launch an active ideological struggle against various kinds of wrong behavior and unhealthy styles, and help foster right and evict evils with the weapon of criticism. Leaderships in the cultural system must mingle with cultural workers, work hard to resolve ideological and practical problems they are concerned about, and unify the administration of business with that of personnel and ideology.

We must adopt various effective means to help the broad mass of cultural and artistic workers raise their cultural backgrounds and strengthen vocational training, set up regular vocational training and systems and measures for rotational training for cultural workers based on different situations in different localities, initiate a required leave system for creative activities and professional training for amateur writers and various cultural workers in various fields to help them continually raise their professional levels.

We must strengthen unity in cultural forces. We must mobilize all positive factors to overcome various negative factors that may affect unity. The unity of the socialist cultural and art force is a principled unity, built on jointly upholding the four cardinal principles, reform and opening up, and upholding the direction of the "two for's." Opposing bourgeois liberalization is aimed at safeguarding the foundation of such unity and to neutralize the greatest negative factor that obstructs unity. Under the premise of distinguishing principled truth and falsity, comrades in various circles must seek common ground on major issues while reserving differences on minor ones, achieve mutual understanding, complement one's shortcomings with the strong points of others, and stop entangling oneself in personal feuds and old historical accounts. We must enthusiastically help comrades who once made mistakes. As long as they recognize and have corrected their mistakes, we must welcome and unify them and march forward together. At the same time, we must actively unify all patriotic Hong Kong, Macao, Taiwan, and overseas compatriots, and build the widest patriotic united frontline in cultural work.

We must foster new and young cultural talent, paying particular attention to discovering among the grass roots young artists, writers and theorists with good thinking, correct backgrounds, and talent, who must be actively

trained and cultivated once they are discovered. This may be done in ways such as running training classes and giving them prominent propaganda. By continually producing new people, our country's literary circles will always maintain brisk vitality, with the new generation replacing the old. There also should be special meetings to discuss and arrange the problems of cultivating the successors of the socialist cultural cause.

Art academies must uphold correct educational policies; strengthen ideological and political work; adjust and reform teaching content and methods according to the requirements of socialist cultural and artistic undertakings that train people to be both red and expert and to enable overall development in morality, intelligence, and physique; and continually send qualified professionals to cultural units of various levels and grades.

VI. Strengthen party building in the cultural system in a down-to-earth manner, give play to the functions of party organizations as a nucleus and to the vanguard and model roles of party members in the capacity of cultural and artistic workers.

First, we must strengthen the organizational building of the party and adopt down-to-earth measures to strengthen the party's organizational power. In particular, on the basis of conscientiously completing the screening, rectification, and registration of the party membership, cultural departments at or above the provincial level must strengthen the party's organizational organs and organizational life; resolutely change the situation current a few years ago in which party organizations in many cultural units were weak and in disarray, and normal inner-party organizational life was almost nonexistent; and resolutely change the situation in which the party was not subject to its own supervision. Each party branch and party group in the cultural system must regularly hold organizational life sessions and launch within the party regular criticism and self-criticism; must first conduct study and discussion within their party organizations of political, as well as cultural decisions by the central authorities and superior ranks; then make specific decisions for implementing these decisions in their own units according to the principle of democratic centralism; and also supervise and inspect the implementation of these decisions. As a parallel measure, we must tighten party discipline. Whoever violates party discipline will be handled or disciplined according to party articles and regulations. We must ensure the party organization's purity and combat power with strict discipline, so that the party organization at each cultural unit can become a real nucleus of power for implementing party principle and decisions and for opposing various wrong tendencies.

Party organizations of cultural departments at various levels must work hard to help all the party members strengthen the concept of party and conduct regular education in this respect based on practical situations. At present, we must actively launch the activity of learning

from distinguished party members, launch Jiao Yulu-style artistic and literary workers like Fang Rongxiang and Jin Naishi, and cite advanced party members at our own departments; make increasingly more party-member literary and artistic workers raise their awareness to unconditionally carry out the party's principles and decisions, and make them practice the party spirit that befits a communist party man with their own practical action—including their own creative works and criticisms—and better exercise their advanced and model role.

Cultural departments' party organizations also must educate party members in anticorruption; initiate systems and measures in connection with the characteristics of artistic and cultural work to maintain clean government; and encourage and support party member-cultural and artistic workers, organizationally and by means of public opinion, to be leading examples against unhealthy styles while remaining firm in expelling corrupt and degenerate elements from the party force. Through unremitting education and struggle against corruption, they must establish a close relationship between the party and masses, raise the authority of party organizations, and provide a more powerful organizational guarantee for the implementation of party principles and the development of party cultural undertakings.

VII. Actively create conditions and quicken the construction of rules and regulations on culture.

For a long time in the past, the construction of rules and regulations remained a weak link in our cultural and artistic management. Though this work has been strengthened since the Third Plenary Session of the 11th CPC Central Committee, due to the lack of experience (nor was there much experience in this area from other socialist countries to be learned from), legislation on cultural work has been going on without unified, sector-oriented management. With the onslaught of various patterns of thought, a process for understanding is required in order to achieve unity in connection with the guiding thought on legislation. This explains why the work has not progressed exactly as we wished. The only pieces of legislation on culture adopted so far have been the "PRC Law for the Preservation of Cultural Relics" and the "PRC Copyright Law." Such a condition does not match well with the needs of the development of our country's cultural undertakings. Now it is necessary to expedite work in this area, and we have the conditions to do so.

Many problems in our country's development of cultural and artistic undertakings, such as the release, publication, and copyright of various literary works (including the disputes touched off by journalistic-style literature and nonfiction novels); the creation and staging of various performing arts; the production, distribution, and screening of films and television dramas; the management of culture markets; the construction and management of key cultural facilities, Sino-foreign cultural exchanges affairs, and so on; all require policymaking

and general administrative measures, and moreover, the formulation of basic laws and parallel ordinances and regulations to make possible management according to law. The release and publication of literary works will be made subject to and resolved by the information and publication laws now being drafted. In addition, the solution of many other problems will require special cultural legislation.

The fundamental problem in cultural legislation is how to spell out in legal forms based on the Constitution, the rights and obligations of cultural and artistic workers in our country. The formulation of cultural rules and regulations must be scientific, organized and with a view to gradual building, based on practical conditions, and must be a body of socialist cultural rules and regulations with Chinese characteristics. In terms of specific missions, the current urgent task is to set up as quickly as possible a leadership organ charged with cultural legislation work under unified central leadership, which will formulate work outlines, organize a division of labor and cooperation between cultural departments and various concerned departments, tackle cultural legislation work in a down-to-earth manner, and strive hard to formulate within 2-3 years several relatively improved legislative drafts for a basic law in culture work and several cultural areas that urgently require laws.

VIII. Formulate and implement the "Eighth Five-Year Plan and 10-Year Program for Cultural Undertakings."

The development of cultural undertakings also requires planning. The Ministry of Culture has drafted a document, the "Eighth Five-Year Plan and 10-Year Program," for cultural undertakings, the proposal of which was based on extensive investigation and study and the solicitation of concerned opinion. The ministry intends to submit them to the State Council. The plan and program sum up the actual implementation of the Seventh Five-Year Plan and current problems; put forward the guiding thought, principles, and missions for the future development of cultural undertakings; propose major aims for the Eighth Five-Year Plan and 10-Year Program for all the aspects of cultural undertakings and lists chief measures and suggestions for achieving these targets and the program. In short, the plan and program are based on practical conditions and can be realized if pursued with effort. However, the document may still contain many imperfections. The Ministry for Culture is prepared to discuss it again with comrades from various sides, and to make revisions and supplementary recommendations after receiving specific instructions from the State Council in order to improve the document.

After the State Council approves the plan and program, concerned departments and localities must conscientiously put them into effect. Localities also must revise their own local cultural development plans and programs in light of this national unified plan and program, and adopt practical measures to ensure on-time fulfillment of development goals stated in the plan. It is hoped that all

local party and government leaderships will grasp cultural construction as they do economic construction, and put the implementation of the national and local cultural undertaking development high on the agenda.

This represents my crude and immature views, submitted here for readers' reference and correction.

Cui Naifu Inspects Shandong's Work

SK2506090091 Jinan Shandong People's Radio Network in Mandarin 2200 GMT 24 Jun 91

[Text] Cui Naifu, member of the CPC Central Committee, and minister of civil affairs, inspected our province's work from 14 to 24 June. On the afternoon of 24 June, Jiang Chunyun, Zhao Zhihao, Gao Changli, and Su Yiran, and other provincial leading comrades held talks with Minister Cui Naifu on our province's rural social pension insurance work, and the implementation of the organic laws for our provincial villagers' committees and the neighborhood committees.

Minister Cui Naifu held talks respectively with cadres at all levels of Weihai and Yantai Cities where the rural social pension insurance program is being experimented with, and extensively solicited the opinions and suggestions from the broad masses of cadres on the reform of the rural social pension insurance system. He affirmed the achievements of the party and government leaders and relevant departments of Weihai and Yantai Cities in actively preparing for and doing much work to try out the social pension insurance program in the rural areas and praised their efforts in this regard.

Minister Cui said: This work is very meaningful and is conducive to social stability and the carrying out of family planning work. Our guideline for reforming the rural pension insurance system is to establish a rural pension insurance operational mechanism with Chinese characteristics and the welfare benefits of peasants as the main content, designing to safeguard the basic life of the old people in the rural areas and integrating self-reliance with mutual aid and social pension insurance with a family guaranteed function.

Minister Cui Naifu inspected the situation of the implementation of the organic laws for the neighborhood committees and villagers' committees in Jinan, Taian and Yantai Cities, and fully affirmed the efforts of Zhaoyuan County in establishing the system of holding villagers' representative meetings, Zhangqiu County in formulating regulations for the autonomy of villagers, and Laiwu City in simplifying administration and delegating powers to the lower levels.

Discipline Inspection Head Stresses Party Building

HK2506154591 Beijing XINHUA Domestic Service in Chinese 1011 GMT 18 Jun 91

[Report by RENMIN RIBAO reporter Mao Lei (3029 4320), XINHUA reporter Wang Ke (3769 3784):

"National Forum on Party Style, Clean Administration of Public Security Network Held in Fushun"—XINHUA headline]

[Text] Shenyang, 18 Jun (XINHUA)—Chen Zuolin, deputy secretary of the CPC Central Commission for Discipline Inspection, today pointed out: The public security organs at all levels in our country have achieved remarkable results in stepping up the building of party style and of clean administration. The overall quality and main trend in the public security ranks is good. They have made important contributions in upholding social security, protecting the socialist system of the people's democratic dictatorship, and ensuring the smooth progress of reform and opening up and economic construction. They have proven themselves to be a solid pillar of our people's democratic dictatorship and should be fully affirmed as such.

Chen Zuolin delivered the address at a national forum on the building of party style and clean administration in the public security network, held at Liaoning's Fushun City today. He also noted that in view of the positive work carried out by public security cadres and policemen in their respective posts, and the emergence of a large number of advanced organizations and exemplary personalities, it is necessary to step up positive propaganda promoting this healthy trend and fostering confidence. At the same time, it is also necessary to look squarely at, and resolutely correct unhealthy trends and unlawful acts prevailing in the ranks of public security people.

Speaking on how public security organs may further step up the building of party style and clean administration, Chen Zuolin held that on one hand, it was necessary to stress raising the political qualities of public security cadres and policemen and, through stronger ideological and political education, to continue to foster their awareness of clean government and wholehearted devotion to serving the people; on the other hand, it is necessary to step up the building of a system of honest administration among public security organs, continue to improve the system of checks and balances, conscientiously implement existing rules and regulations, and to deal with violators in accordance with party and state decrees as well as national laws. Chen Zuolin stressed that the key lies in proper and personal attention paid by leaders. At the same time, the discipline inspection organizations of public security organs at all levels should actively play their part.

Chen Zuolin stated that as an important tool of the people's democratic dictatorship, public security organs should be held firmly in the hands of the party and the people. Each and every worker of a public security organ should respond to high standards and strict requirements, and play an exemplary role in the building of party style and clean administration, particularly every communist party member.

Attending this forum sponsored jointly by the CPC Central Commission for Discipline Inspection and the

party committee of the Ministry of Public Security were the responsible persons from the party committees of public security departments (bureaus) from various provinces, autonomous regions and municipalities around the country, who exchanged views and experiences on building party style and honest administration. Quan Shuren, secretary of the Liaoning Provincial Party Committee, was also present at the forum. At the opening of the meeting, Hu Zhiguang, deputy minister of public security, made a report where he outlined the targets set for each phase in the building of party style and honest administration as well as work and steps to be taken in the future. Tao Siju, party committee secretary and deputy minister of public security, also delivered a speech at the close of the meeting. He said: Generally speaking, public security cadres and policemen as well as the commanders and fighters of the armed police force around the country are politically tough, boast good discipline and style, and can be relied upon by the party and the state. The public security ranks have kept in step with the party central committee at all times, resolutely carried out the guidelines, policies, and principles of the central authorities, and waged a firm struggle against all phenomena which undermine the interests of party, state and people.

Tao Siju reminded everyone that the most common and prominent problem, and one which was most frequently reported by the people, was the abuse of power by a small number of people.

He maintained that the question of whether or not the public security organs can stand up to new tests under the new conditions of reform and opening up and the development of a planned commodity economy, and resist the offensive of "peaceful evolution" is directly linked to the big question of whether or not the public security ranks will change character and of whether or not they can uphold the people's democratic dictatorship and the socialist system. It is necessary to step up the building of party style and honest administration within the public security network in order to uphold the people's democratic dictatorship and the socialist system under the new circumstances, pursue the mass line, ensure the smooth progress of socialist modernization endeavors, inherit and foster the valuable experiences and glorious traditions of our public security work, and carry on with the cause.

Consequently, Tao Siju has proposed the following: It is necessary to grasp leadership, with one level taking on the next level and stressing inspection and implementation; it is necessary to grasp education, with public security organs at all levels educating the cadres and policemen to enhance their understanding of the serious destruction caused by unhealthy practices and corruption, step up their awareness of the need to uphold the Four Cardinal Principles, establish correct political orientation, foster a proletarian outlook of the world and an outlook on life anchored on wholehearted service to the people, and raise the immunity of every cadre and

policeman against corruption. It is necessary to emphasize the investigation of cases and to deal severely with major violations. Problems such as abuse of power, indiscriminate collection of fees, imposition of fines and apportion of expenses should be firmly dealt with.

Propaganda Official on Education of Party Members

*OW2506132491 Beijing XINHUA Domestic Service
in Chinese 0951 GMT 24 Jun 91*

[By Beijing Central People's Radio reporter Tian Shan-chuan (3944 1472 1557) and XINHUA reporter Liu Siyang (0491 1835 2254)]

[Text] Beijing, 24 Jun (XINHUA)—A five-day national commendation meeting for advanced grass-roots party schools and excellent workers in the education of party members ended in Beijing today. Responsible persons from the propaganda departments of various provincial, autonomous regional, and municipal party committees attending the meeting said: We should work harder in a more down-to-earth manner to carry out thorough, detailed, and practical work in the education of party members, and raise such work to a new level.

During the meeting, education workers for party members from 16 units, including the propaganda department of the Jingxi county party committee of the Guangxi Zhuang Autonomous Region, gave briefings on their experiences in carrying out education on the basic theory of Marxism-Leninism-Mao Zedong Thought, the party's basic line, and basic knowledge about the party. They discussed progress in conducting the "three-basic" education from different angles and levels.

Xu Weicheng, executive deputy director of the CPC Central Committee's Propaganda Department, spoke at the meeting. He summed up the experiences of all localities in carrying out the "three-basic" education, describing them as the products of the attention of the leadership and due emphasis on important points and practical results.

Xu Weicheng said: The "three-basic" education is a long-term task in inner-party education, which cannot be accomplished by holding a few study sessions. In accordance with the evolving and changing situation, we should deepen the "three-basic" education by constantly studying new circumstances, introducing new courses, solving new problems, and consolidating existing achievements.

Xu Weicheng pointed out: Strengthening the education of party members and upgrading their quality and enthusiasm constitute urgent needs for guaranteeing the realization of the party's second-step strategic objective. Through education, party members should be made to understand the party's objective of struggle and the specific tasks they are supposed to shoulder; their enthusiasm, initiative, and creativity should be aroused in the struggle for and dedication to the causes of the party and people.

Xu Weicheng said: Strengthening the education of party members, continuously reinforcing the party's political convictions, and improving the capability of party members to detect wrong ideological trends are needed in a strategic sense for opposing the peaceful evolution waged by hostile forces at home and abroad. Strengthening the education of party members and correcting their thinking and morality are urgently needed for the new situation of deepening reform and opening wider to the outside world. He asked party organizations at all levels to promote the party's ideological and organizational construction at work, and become a strong nucleus in leading the socialist modernization and a strong fortress in opposing peaceful evolution.

Xu Weicheng also stressed: Currently, we should emphasize the earnest and effective study of party history and party building theory in carrying out basic education for party members. He felt that extensively studying party history and party building theory by the entire party is a major task in strengthening party building, upgrading party members' quality, and reinforcing the party's fighting power. Therefore, we must strengthen leadership in this aspect of work and adopt practical and strong measures to implement the work effectively.

XINHUA Series Studies CPC Image

First Installment

*OW2506155491 Beijing XINHUA in English
1200 GMT 25 Jun 91*

["CPC Image in the Eyes of Ordinary Chinese People (first in a series); by XINHUA writer Wang Shubin"—XINHUA headline]

[Text] Beijing, June 26 (XINHUA)—"Why did you apply for membership of the Communist Party of China?"—this is a question XINHUA put to some people here who have applied for CPC membership or have recently been admitted to the party.

The CPC will be 70 years old July 1. It now has more than 55.32 million members. As many as 10.8 million Chinese had handed in their applications to join the party by the end of last year, according to the organization department of the CPC Central Committee.

The Beijing No. 1 machine tool plant has 9,000 workers, of whom 1,800 are party members. Fifty workers have been admitted to the party since 1989 and 380 more have applied for party membership. Several of these people were interviewed.

Zhao Baichuan, 46, a worker who joined the party last March, said, "I joined the party because I believe it is the vanguard of the working class and I'm keen to work for the party's cause."

He said that a small number of party members and especially party officials who abuse power for personal gain have damaged the party's prestige but the CPC as a whole is an

organization serving the people wholeheartedly. "I think it's an honor to be a party member," he said.

Wu Zhenshan, 59, also a worker, has been a party member for 30 years. "I never thought of gaining any advantage from being a party member," he said. "I have always done my best in my job to show that I joined the party not for benefit but for service."

He added that those party members who take bribes and pursue personal gain by abusing power have sullied the honor of communists.

Zhang Jinping, a female worker of 44, applied for party membership 26 years ago but was not admitted into the party until the end of last year. "The party aims at building a society without exploitation, where common prosperity is the principle," she said. "My personal effort may be negligible but if many people are working for this end I think the possibility of achieving such an ideal society will increase."

Li Guirong, 59, will soon retire but still wants to join the party. She said that she came to know the communist party from those party members around her. "Those around me who are hard-working and never complain are mostly communists, although there are those who are not worthy the name of party member," she said.

Beijing University now has about 9,600 undergraduate and graduate students. By the end of last year there were 917 party members among the students, and those who have applied for the party membership numbered 1,018.

Interviewed by XINHUA, the students of the university who are party members or have applied for party membership expressed the same idea that young people should have ideals and pursuits, and joining the party is such an ideal and pursuit. They said that they became or want to become party members because they respect the party's program and approve of its goals and its purpose of serving the people heart and soul.

Li Zhongfang, a graduate of the Oriental Languages Department, has applied for party membership. She attended a spare-time party school sponsored by the university party committee last summer, when she went to listen to lectures every Sunday evening with 700 other students. "We had many classes, and it was a rare opportunity for me to study party knowledge in a systematic way so I was very attentive in the party school," she said.

She said that the founding, existence and growth of the communist party was an inevitability of the development of Chinese history. "The combination of an understanding of objective laws with my personal feelings explains my application for party membership."

Jiao Qinghui, 22, a fourth-year student in the Urban Environment Department, is another applicant. "As for me, the party always represents advance and progress,"

he said, adding that one can apply for party membership only after one has a thorough understanding of the party's mission.

There are also applicants among private business people. Now Beijing has almost 200,000 such people, of whom 4,000 are members of the Communist Party.

Cao Yijian, a craftsman, has twice applied for party membership. "I applied for party membership not because I want to get an official position or make more money," he said. "I have a good income but I think a person should not live only for making money but also for a belief."

The 66-year-old Cao experienced the rule of the Japanese invaders and the Kuomintang. "I believe that only under the leadership of the Communist Party can China enjoy stability and prosperity," he said.

Second Installment

OW2606151891 Beijing XINHUA in English
1406 GMT 26 Jun 91

["CPC Image in the Eyes of Ordinary Chinese People (second in a series); by XINHUA writer Wu Nanbin"—XINHUA headline]

[Text] Beijing, June 26 (XINHUA)—The Chinese see the Communist Party always in connection with the practice of socialism in China.

As the Communist Party of China (CPC) approaches its 70th birthday, XINHUA interviewed people from different walks of life here in Beijing. Many of them are of the opinion that as the party is closely bound up with socialism, the people's judgment on the party is inseparable from that on socialism.

Among the interviewees were communists and non-communists, of different background, professions and ages.

Summing up their views, socialism in China for 40 years has at least made three major achievements. First, it put an end to the chronic wars and disunity and the Chinese history of humiliation, and realized the national unity and all-round social progress; second, China's economic construction has made universally acknowledged achievements; and third, the material and cultural life of the Chinese has been remarkably improved.

Zhao Yao, a scholar of scientific socialism, said that the practice of socialism in China by the Communist Party has indeed experienced twists and turns but the achievements are there for all to see.

Zhou Yi, a professor at the Central Party School, recently made an investigative tour of east China and met many local workers. "Socialism has taken root among the masses because it has brought them true benefits," she said, summing up her impressions of the tour.

Wu Zhenshan, an old worker at the Beijing No.1 machine tool plant, said, "my personal experience tells

me that only the Communist Party represents the interests of the workers and the majority of other people and the workers can become masters of the country only under socialism."

Wu once worked as a child laborer in a Japanese-run factory and then as a worker in a Kuomintang-run factory before the founding of New China. "The reason I support the Communist Party is very simple," he said. "I believe that it is the only organization that can lead China in building socialism, and I have faith in socialism."

Other workers at the plant said that their sense of being masters of the country had been weakened in the past few years. In 1989 the newly elected party general secretary, Jiang Zemin, went to the factory, where he reiterated the leading role of the working class. The workers were satisfied with the statement, the interviewees said.

According to them, the workers practise their democratic rights of managing their factory mainly through the workers' congress. The congress, which meets twice a year, discusses such important issues as the factory's development strategy, reform measures, technical upgrading and appointment of officials.

Professor Zhao Yao said that China faces two tasks, namely, eliminating poverty and enabling its people to become well-off, and realizing modernization. China can accomplish the two tasks only by practising socialism under the leadership of the Communist Party, he said.

Some phenomena of unreasonable social distribution in the past few years, he said, have aroused discontent among the masses. This shows that the people do not want capitalistic polarization but common prosperity which can be brought about only by socialism.

Meng Yang, a professor at the People's University and a scholar of Karl Marx's *Das Kapital*, has given lectures at various universities in Beijing in recent years. He said that as socialism has experienced twists and turns in the past 70 years or so, it is only natural for students to raise questions about it and the leadership of the Communist Party. He added that Marxism as a science is convincing and through factual and incisive education the college students are willing to accept socialism and the party's leadership.

According to Meng, students at his university have organized a research group on *Das Kapital* and often invite him and other teachers to give lectures.

"My faith in the Communist Party has never wavered," said the 68-year-old Meng, who joined the party at the age of 63. "I got to know the party through the communists around me. Later, after I learned about Marxism I became more conscious of the truth that only socialism can save China and only the Communist Party can lead China to socialism."

Yuan Jiansong, a sophomore of computer science at Beijing University, has been a party member for three years. He said that he also came to know the party

through the communists around him. "Then I thought one should join the party if one wants to be a useful member of society," he said. "It was only after studying the guiding principles of the party that I gained a better understanding of it."

Most of the interviewees mentioned the fact that a small number of party members who are corrupt and accept bribes have violated the party's principle of serving the people and therefore have damaged the party's prestige. They agreed with General Secretary Jiang Zemin, who recently said that the party could hardly maintain an invincible position without solving the problem of corruption.

Professor Zhou Yi, who joined the party in 1937, said she is confident that corruption will be eliminated because the party has always attached importance to solving the problem, and the people also hate corruption.

Wang Liming, 32, the youngest associate professor at the People's University, said that solving the problem depends on perfecting institutions including supervision and appointment of officials.

Third Installment

OW2706171891 Beijing XINHUA in English
1339 GMT 27 Jun 91

["CPC Image in the Eyes of Ordinary Chinese (third in a series); by XINHUA writer Chen Qing"—XINHUA headline]

[Text] Beijing, June 27 (XINHUA)—A Chinese communist who joined the party 63 years ago said here today that as the Communist Party works for the interests of the people it must maintain close ties with the people.

He warned that the party in power must guard against its members seeking personal gains by abusing power.

General Li Jukui, 86, joined the Communist Party of China (CPC) in 1928. Among the most veteran Chinese generals Li is next only to Marshal Nie Rongzhen as far as age is concerned.

Li said that except for the interests of the people the party has no interests of its own. "The small number of party cadres, who seek personal gain by abusing their power, accept bribes and are morally degenerate, totally deviate from the party's principle of serving the people," the general said. "By such behavior they have sullied the honor of communists."

But, he said that these people do not represent the whole of the party because there are many more in the party who are honest in performing their official duties.

The party Central Committee, with General Secretary Jiang Zemin as its core, has made new contributions to improving party conduct over the past few years, he said, adding that "the party still enjoys high prestige among the people."

Li was born in Lianyuan County, in central China's Hunan Province. He recalled that he risked his life to join the Communist Party in his early 20s because the party wholeheartedly fought for the interests of the poor.

The first communist he knew was Peng Dehuai, who later served as minister of national defense after the founding of new China. "Peng always despised fame and gain, and ignored personal danger," Li said. "He had a profound influence on the whole of my life."

During the war years, Li said, those who were the first to charge the enemy lines were always communists, many of whom laid down their lives.

Li himself also ran into great danger many times during his long revolutionary career. "But my faith has never wavered," he said.

He took part in the famous Long March in the 1930s. The Western Column of the Red Army, in which Li served as chief of staff, was almost destroyed in north-west China because it was hopelessly outnumbered. Li, who found himself all alone after a battle, walked hundreds of miles, begging all the way, to look for the remainder of the Red Army.

Recalling the long trek, Li said that many poor people helped and sheltered him. "This was indeed a unforgettable experience of mine," he said. "I believe the party can win popular support and overcome all difficulties if it serves the people heart and soul."

Li was made a general in 1955 and once served as political commissar of the General Logistics Department of the People's Liberation Army.

The retired general is very strict with himself and his family. He lives in a simply furnished house with a concrete floor. His children are doing ordinary jobs, and have never taken advantage of their father's background.

NPC Standing Committee Examines Draft Laws

OW2206224491 Beijing XINHUA Domestic Service
in Chinese 0939 GMT 22 Jun 91

[Text] Beijing, 22 June (XINHUA)—Yesterday afternoon and today, members attending the 20th Session of the Standing Committee of the Seventh National People's Congress [NPC] held group discussions to deliberate the draft tobacco monopoly law, the draft amendments to the cultural relics protection law, and the draft water and soil conservation law.

The draft tobacco monopoly law was first deliberated more than a year ago. During deliberation, a majority of the members felt that after several discussions and repeated studies, the draft absorbed the views of all sides and is geared to actual circumstances. Some members also aired their views and suggestions on a number of issues.

Members Yi Meihou and Liang Lingguang argued that there is a need to enact a law to administer the monopoly

of tobacco. Tobacco products are special commodities. They inflict a certain degree of harm on people's health and should not be produced and circulated indiscriminately. The state must tighten control and supervision over production and management in order to protect people's health and consumers' rights.

Member Duan Suquan proposed the need to increase publicity to educate people on the dangers of smoking, and to dissuade them from smoking on public transport and in public places. He urged that minors be banned from smoking.

Members Li Guiying, Li Yining and Hu Daiguang held that the draft does not sufficiently incorporate a mechanism for integrating the planned economy with market regulation as well as the industrial policy of the state. It places too much emphasis on rights and too little on obligations. Furthermore, the issue of separating administrative function from business operation remains unresolved. He suggested the draft be further revised.

During deliberation of the draft amendments to the cultural relics protection law, members agreed that severe punishment be meted out to those who destroy, steal, and smuggle cultural relics. Member Aisin Gioro Pujie said: The disfigurement and contamination of cultural relics is extremely serious. Material pollution, indiscriminate erection of buildings, and even excavation and demolition around protected cultural relics are fairly common. The problem of digging ancient tombs and theft on a large scale is very serious. One should rely on legal means to prevent and crack down on these incidents. Simply imposing a fine is not enough.

Members Yang Jike and Cai Zimin suggested that the state open up the cultural relics market. They felt that opening up the cultural relics market would better promote the glorious culture of the Chinese nation and facilitate direct regulation over the transaction of cultural relics, thereby putting a stop to the smuggling of cultural relics and making it easier to protect them. Moreover, it will, to a certain extent, generate economic returns for the state.

The members universally approved the draft water and soil conservation law to be examined and adopted at the current Standing Committee session. Member Ma Man Kei mentioned that soil erosion along the major rivers of China is extremely serious. It not only causes serious losses to the national economy, but also destroys the ecological balance, and creates severe droughts and floods. Therefore, successfully dealing with water and soil conservation is a major issue that will affect the national economy and benefit future generations, and should be taken seriously. He also noted the draft has provided that units and individuals who have scored achievements in soil conservation work be rewarded, and that this is a good thing. He added that it also should spell out the punishment for units that neglect their duties and cause soil erosion.

Prostitution Ban Discussed

OW2606223291 Beijing XINHUA Domestic Service
in Chinese 1106 GMT 25 Jun 91

[Text] Beijing, 25 Jun (XINHUA)—The 20th session of the Standing Committee of the Seventh National People's Congress [NPC] continued its group discussions today. Members pointed out in their speeches that the spread and development of practicing prostitution, the hiring of prostitutes, and the selling and kidnapping of women and children are absolutely incompatible with the socialist system and socialist spiritual civilization. These phenomena cause serious damage and threaten our national image, public order, and standard of social conduct, as well as the physical and mental health of the masses of people and their future generations. We must firmly ban such practices and strike at them severely.

The members agreed unanimously that it is absolutely necessary for the NPC Standing Committee to formulate decisions to strictly prohibit the practice of prostitution and the hiring of prostitutes, and to severely punish those who sell and kidnap women and children so as to supplement and amend the relevant laws as required. Meanwhile, some members offered suggestions to revise certain clauses in the draft decisions.

Member Zhou Nan said: In recent years, many dark and disgusting phenomena of the old society have reappeared and are becoming increasingly rampant. The masses of people detest this bitterly, he said: We are not afraid of a few flies and mosquitoes that come in with our drive to reform and open to the outside world, but if we do not exterminate them, they will multiply and spread.

In his speech, member Cao Siming analyzed the practice of prostitution and the hiring of prostitutes: First, the practice of prostitution and the hiring of prostitutes is spreading quickly. Both the instances and the places of such practices are increasing. Second, there is a trend of collaboration in prostitution. In some instances, prostitution is linked with other criminal activities. In other instances, it collaborates with underworld organizations. Third, venereal diseases have spread to such an extent that they have become a public nuisance. In his opinion, the following reasons account for the appearance and rampancy of prostitution despite repeated efforts to ban it: First, it is economically profitable. The vast majority of prostitutes are no longer victims of poverty. Instead, they are people pursuing material enjoyment. Second, quite a number of people lack a sufficient understanding of the nature, seriousness, and detrimental effect of this disgusting phenomenon. Third, banning prostitution involves many social sectors, and therefore requires comprehensive measures. Fourth, the current laws and regulations are not sufficiently comprehensive. So far, there is no explicit legal basis for banning prostitution and prohibiting people from hiring prostitutes.

Many members suggested that both stopgap and radical measures be taken against the practice of prostitution and the hiring of prostitutes. Comprehensive measures

should be accompanied by actions to strike at individual cases, and the efforts of specially assigned personnel should be combined with the efforts of the masses. It is necessary to rely on all levels of party and government leadership and the joint efforts of the entire society to gradually and effectively solve the problem.

Tao Aiying and other members said: Now, some party members and personnel of state organs are involved in prostitution and hiring of prostitutes. There must be stricter rules so as to punish them severely.

Vice Chairman Chen Muhua and member Xu Yunbei said: The draft decision stipulates that prostitutes be reeducated through labor as punishment, but there is no forced labor punishment for those that hire prostitutes. This is not appropriate. Some members suggested that professional prostitutes be punished on the charge of prostitution.

When examining the decision on severe punishment of those criminals selling and kidnapping women and children, the members said that the most serious problem presently is the difficulty in rescuing sold and kidnapped women and children, and the decision should set up clear-cut and effective measures in this regard. Member Guo Liwen said: Now, there are frequent instances of gathering people to obstruct rescue work. In the first place, some leaders are not paying sufficient attention to this work. Second, some grass-roots cadres do not fully understand the legal system; they think that rescuing those who have been sold would cause the buyers to lose both their money and their purchase. Thus, they connive at the criminals. Third, the current law gives too light a punishment to this kind of criminal act. Apart from these, a lack of funds is also a major factor affecting rescue work.

As suggested by many members, it is necessary to go all out to conduct education about the legal system in rural areas. Meanwhile, party and government departments in all localities should make concerted efforts and take effective measures to get rid of these disgusting phenomena in our society.

26 Jun Session

OW2706015391 Beijing XINHUA Domestic Service
in Chinese 0647 GMT 26 Jun 91

[Text] Beijing, 26 Jun (XINHUA)—The 20th session of the Seventh National People's Congress [NPC] Standing Committee held its second plenary session this morning.

Chairman Wan Li was present at the session; Vice Chairman Chen Muhua presided over the session.

In accordance with a decision adopted by the fourth session of the Seventh NPC, State Councilor and Finance Minister Wang Bingqian, entrusted by the State Council, made a report on the 1990 final state accounts at today's session. Wang Bingqian said: According to the formally prepared 1990 final state accounts, revenues were 331,255 million yuan, while expenditures were 345,220 million yuan. The

accounts showed a deficit of 13,965 million yuan. Compared with the estimated figure in the report made at the fourth session of the Seventh NPC, the deficit decreased by 1,078 million yuan.

Entrusted by the State Council, Minister of Foreign Economic Relations and Trade Li Lanqing delivered a report on the work of foreign economic relations and trade to the Standing Committee.

An NPC delegation led by Vice Chairman Peng Chong made a friendly visit to the Democratic People's Republic of Korea in June this year; an NPC delegation led by vice chairman Chen Muhua visited Cuba and Venezuela last May; an NPC delegation led by Yao Guang attended the 85th meeting of the Inter-Parliamentary Union last April and May. These three delegations today separately delivered to the session their written reports on their visits abroad.

Vice Chairmen Peng Chong, Seypidin Aizezi, Yan Jici, Rong Yiren, Ye Fei, Liao Hansheng, Ni Zhifu, Fei Xiaotong, Sun Qimeng, Lei Jieqiong, and Wang Hanbin were present at the session.

State Councillor Wang Bingqian and Liu Fuzhi, procurator-general of the Supreme People's Procuratorate, were present at the session as nonvoting delegates.

Report on 1990 Budget

OW2606202091 Beijing XINHUA in English
1452 GMT 26 Jun 91

[Text] Beijing, June 26 (XINHUA)—China's domestic revenues exceeded the state budget target in 1990, while the financial deficit amounted to 13,965 billion yuan, topping the budgeted amount by 5.73 billion yuan.

Wang Bingqian, state councillor and minister of finance, revealed this today in his report on the implementation of the state budget for 1990 at the 20th session of the Standing Committee of the National People's Congress, which is now being held in Beijing.

According to the state councillor, total state revenues in 1990 came to 331.255 billion yuan, or 102.2 percent of the budgeted amount, and total state expenditures amounted to 345.22 billion yuan, or 103.8 percent of the budgeted figure.

"In the past year the State Council has taken a number of austerity measures and overcome some of the contemporary economic difficulties. China's national economy is now turning for the better," Wang continued.

According to the minister, the work of collecting revenues was done under quite difficult conditions last year. A temporary drop in industrial production, the sluggishness of market sales, and the decline in the economic performance of enterprises all complicated the implementation of the budget.

It was learned that last year's state revenues went beyond the state budget target by 33.53 billion yuan more than that of the previous year, or a 11.8 percent increase.

According to Wang, the central and local governments tried their best in 1990 to adjust the structure of expenditures, and to ensure funding for key projects, agriculture, education, science and technology, and national defense.

The state councillor pointed out that the main problems in the 1990 final account resulted from overruns in expenditure on capital construction, as well on tapping the potential of existing enterprises, upgrading technology, subsidizing the trial manufacture of new products and aiding rural production, and in the operating expenses for culture, education, science and public health, and administrative expenses.

Foreign Trade Report

OW2606204491 Beijing XINHUA in English
1457 GMT 26 Jun 91

[Text] Beijing, June 26 (XINHUA)—Li Lanqing, minister of foreign economic relations and trade, delivered a report at the ongoing 20th session of the National People's Congress (NPC) Standing Committee here today.

His report dealt with China's foreign economic relations and trade.

China has taken major steps in opening to the outside world since the Third Plenary Session of the 11th Communist Party Central Committee in 1978, when the policies of reform and opening were adopted, the minister told the legislators. In fact, he said, China has since then rapidly expanded its economic exchanges and co-operation with the outside world through varied forms, such as commodities, funds, technology and labor service.

Referring to future tasks, Li said that, first of all, his ministry will continue to streamline various kinds of foreign trade companies.

Among the companies to be checked are those which lack competent management personnel, show no respect for contracts, pay little attention to the quality of their products, or otherwise violate laws and regulations.

Up to now, foreign trade companies in 36 provinces, autonomous regions, municipalities and cities with provincial status for national planning have been checked on. Among the 2,140 companies, 932 no longer have the right to engage in foreign trade.

Meanwhile, Li said, efforts have been made to strengthen the management of foreign trade, such as by improving the system of export license issuing.

In the past decade, the minister said, experiments have been made in the reform of the foreign trade system. Between 1988 and 1990, the contract responsibility system was introduced into many companies.

The State Council has decided that from this year more efforts will be made to deepen the reform, with the focus on unifying policies, creating conditions for equal competition and making companies responsible for their profits and losses.

He stressed the importance of the quality of export commodities, and urged all businesses to be meticulous in every link of the production process, including designing, manufacturing, assembling, packing, storing and transportation, to ensure that their products are of the best quality.

He said efforts should also be made to improve product mix and increase the variety of products, cut costs and make the best use of foreign investment.

Finance, Trade Reports Examined

OW2706203991 Beijing XINHUA Domestic Service
in Chinese 1059 GMT 27 Jun 91

[Text] Beijing, 27 Jun (XINHUA)—The 20th session of the Standing Committee of the Seventh National People's Congress [NPC] held group discussions yesterday afternoon and today. The members examined and discussed Wang Bingqian's report on the final state accounts for 1990 and Li Lanqing's report on the foreign trade of our country.

The opinion expressed by most members was that Wang Bingqian's report on the final state accounts for 1990 gives a fairly comprehensive description of the implementation of last year's state budget and also the problems that existed. Basically, it reflects the spirit of seeking truth from facts. Regarding the increased deficit, there were objective factors. The year 1990 was an usual year, and it is understandable that more money had to be spent to stabilize the overall situation. Even though our economy remains in a rather difficult situation, the Ministry of Finance has still done a lot of work. Indeed, it has made some achievements.

In the opinion of some members, the fundamental way to eliminate financial deficit is to develop productive forces and increase economic returns. Presently, the problem is that both production quantity and output value have gone up, but economic returns have declined. This problem is especially remarkable in large and medium-sized enterprises. Therefore, the state should conduct in-depth investigations regarding the question of how to enliven large and medium-sized enterprises, and should formulate truly feasible measures for this purpose. Large and medium-sized enterprises should embark on the path of sound development and become true pillars of the national economy, rather than an increasingly heavy burden on the state.

Some members said: The radical way to solve the current economic situation is to conduct reform and act in strict accordance with the law of value and the law of economics. We cannot solve economic problems merely by issuing administrative orders.

Many members said: We should no longer be softhearted toward the problem of "debt chains." At present, not only have more "debt chains" appeared despite the efforts to eliminate them, but refusal to pay debts without valid reason has become a common practice. This should be punished by law. The punishment should be so heavy as to distress the delinquent debtors. At the same time, resolute efforts should be made to prevent local protectionism and advocate that all localities in the country coordinate with one another as in a chess play.

The members seriously criticized the extravagance and waste and problem of over-expanded organization that have reappeared in some departments. They said: We should not just talk about leading an austere life while actually acting extravagantly and indulging in sumptuous wining and dining. It is necessary to begin with leading cadres to act truly in a down-to-earth way to struggle hard and build our country through diligence and thrift.

Some members said: Presently, all localities are formulating their Eighth Five-Year Plans and 10-Year Programs. They have set forth many demands in order to meet their targets. Under these circumstances, it is especially necessary to act within the limits of capabilities, work steadily and realistically, and avoid aiming at big but impractical targets and departing from the reality and the masses.

In addition, the members offered many opinions and suggestions on how to make a success of this year's financial work.

In examining and discussing Li Lanqing's report, the members affirmed our country's achievements in foreign trade over the past few years. Meanwhile, they expressed the hope that foreign trade departments not be unjustifiably optimistic, but clearly understand the grim international environment at present, study the unfavorable situation that might appear, and formulate countermeasures so that China's foreign trade will steadily develop. Some members said that great efforts are still needed in order to correct the unhealthy practice existing in foreign trade departments.

Dissident Fang Lizhi Interviewed in Japan

OW2506063291 Tokyo NHK General Television
Network in Japanese 1245 GMT 24 Jun 91

[Interview with Chinese dissident leader Dr. Fang Lizhi, who is currently visiting Kyoto to attend an academic meeting, by reporter Suzuki of the NHK International Department; date and place not given; from the "NHK News 21" program; Dr. Fang and Suzuki speak in Mandarin; the following is from Mandarin—recorded]

[Excerpts] [Passage omitted: Video review of Tiananmen incident]

[Fang Lizhi] Well, I should say I did not take any direct part in the action or activities to stop [the army's brutality]

during the 4 June movement. Of course, many students recognized me, and many student leaders called on me. Of course, many students identified themselves with my ideas, particularly with the remarks I made before the 4 June movement. Some students criticized the authorities quoting some of my remarks. In this sense, I naturally had influence, from the spiritual standpoint, on those students who participated in the 4 June movement.

[Suzuki] Now, some people still feel that Dr. Fang and Mrs. Fang disappeared and ran away. What do you think of such a view?

[Fang] Among them, there must be some who are now in the United States. It is because on 23 or 24 May, there was a rumor that the Chinese Communist authorities were ready to arrest people and use force. And they had drawn up a namelist. Many people warned me that I and my wife, Li Suqin, were on top of the list, and that we must leave. Maybe you still remember it. At that time, when I visited Datong to attend a meeting on 23 May, many people said that we had already run away because many people left at that time. In fact, I did not leave but I came back later. Later on when I left, it was after the massacre at the Tiananmen Square. It was on 5 June when many people left after the incident. [passage omitted]

[Fang] In the face of the current situation, if the Chinese authorities should want to break the stalemate, there is no other way left except the implementation of reforms. I think, following the stalemate for the past two years, they should be aware of this point. In this connection ... [changing thought] It is because the trend in the current world has started taking the road toward democracy, toward opening up, and toward respect for human rights.

[Suzuki] What do you think of the Japanese Government's policy toward China?

[Fang] The development following the Tiananmen incident is like this: I think the Japanese authorities are one of the governments and one of the powers that have restored their relations with China. From the viewpoint of justice, the Japanese authorities' consideration of the human rights situation in China—as I have just said, this is one important factor in the relations among members of the international community, and if viewed from this principle, the Japanese Government's consideration is certainly lacking when compared with what the authorities of North American and Western Europe have done. [passage omitted]

[Fang] I think that the present situation is similar to that of the latter period of the Great Cultural Revolution, and all of us should realize that there will be changes. In this connection, I would like to tell my friends at home not to make haste and that all the people of the intellectual and other circles not only in the United States but also in Japan give their strong support for the Chinese movement for democracy and human rights. When viewed from this standpoint, we must have greater confidence, and after overcoming problems faced in this dark period, China will certainly have a bright future.

Beijing Symposium on Human Rights Theories

HK2206051891 Beijing RENMIN RIBAO in Chinese
19 Jun 91 p 4

[Report by Du Feijin (2629 7378 6651): "Symposium on Theories Concerning Human Rights Held in Beijing"]

[Text] Beijing, 18 Jun (RENMIN RIBAO)—The "Symposium on Theories Concerning Human Rights," sponsored by the Law Institute of the Academy of Social Sciences, is being held in Beijing today.

Under the guidance of Marxism, discussions will be held at the symposium on a series of questions, such as the concept on human rights, the principled demarcation line between the Marxist concept of human rights and the Western concept of human rights, the analysis and appraisal of the capitalist human rights system, human rights protection and human rights principles of socialist China, and international human rights protection. Through these discussions, a clear line of demarcation will be drawn between the two concepts on human rights, confusion caused by the advocates of bourgeois liberalization on the human rights issue will be clarified, and the socialist human rights system will be further improved and developed.

More than 50 experts and scholars from the capital and other areas are attending the symposium.

RENMIN RIBAO on Shanghai Family Planning

HK2606072191 Beijing RENMIN RIBAO in Chinese
17 Jun 91 p 1

["Dispatch" by Xiao Guangen (5618 7070 2704): "Shanghai Municipality Scores Good Results in Family Planning Work"]

[Text] Shanghai, 16 Jun (RENMIN RIBAO)—Last year, Shanghai Municipality's population birth rate was 10.25 per thousand, the natural growth rate was 3.51 per thousand, the one-child rate was 95.73 percent, the family planning rate was 99.56 percent, and various family planning targets ranked first in the whole country. Since the implementation of family planning 27 years ago, a total of 5.2 million fewer babies were born in the municipality. This is the information provided by the recently convened Shanghai municipal family planning work press conference.

Shanghai Municipality has always paid attention to the continuity and stability of family planning policy. In the whole municipality, the phenomena of notable births exceeding quota and births ahead of schedule basically have not occurred. After the implementation of the "Shanghai Municipality Family Planning Regulations" in August 1990, up to mid-April 1991, the number of births in the whole municipality beyond plan decreased 61.7 percent over the same period in the previous year. In 1988, among the 37,508 suburban households which were entitled to have a second child, 6,225 voluntarily gave up the right to do so.

Shanghai has always paid attention to propaganda and education work in family planning. The municipality has a propaganda team of 200,000 people who carry out propaganda for and education on population and family planning. Up to the end of 1990, among the 5 million who should receive education, those who have received education and passed accounted for 85.5 percent.

In the past two years, through practicing targets management responsibility system, Shanghai further promoted implementation of family planning work. A pattern of integration between sectors and between departments and of common management began to take shape in the whole municipality.

Science & Technology

Song Jian at Natural Science Committee Founding

OW2106213091 Beijing XINHUA Domestic Service
in Chinese 0327 GMT 21 Jun 91

[By reporter Zhuo Peirong (0587 1014 2837)]

[Text] Beijing, 21 June (XINHUA)—The Third State Committee for Encouragement of Natural Sciences was formed in Beijing today. The State Science and Technology Commission appointed 50 renowned scholars to set up the current committee. Renowned chemist Tang Aoqing was named chairman; Ye Duzheng, Zhu Lilan, Shi Changxu and Tang Youqi, vice chairmen; and Sun Shu, secretary general.

The 50 members of the current State Committee for Encouragement of Natural Sciences hail from the Chinese Academy of Sciences, institutions of higher learning and research organizations under various departments of the State Council, of which 28 are scholars. The 50 committee members are well-educated and highly reputable specialists and scholars from the field of basic research in natural sciences.

Song Jian, state councillor and minister in charge of the State Science and Technology Commission, attended the first meeting of the Third State Committee for Encouragement of Natural Sciences. He paid tribute to the work done by the previous committee, and dwelled on the important role played by basic research in natural sciences.

Song Jian said: Leading comrades of the party Central Committee and the State Council attach great importance to basic research in natural sciences. On this point, they are unanimous with the scientists. People often say: Basic research is the birthplace of high technology and the cradle for training highly skilled personnel. I believe that basic research is a great influence and plays a very important role in enhancing educational qualities of the whole nation. The State Science and Technology Commission formulates its national plan for science and technology at three levels, and will gradually increase efforts in the field of basic research. This has the

approval of the party Central Committee and the State Council, as well as the support of scientists.

Song Jian also presented an honorary certificate to Wu Heng, chairman of the First and Second State Committee for Encouragement of Natural Sciences, on behalf of the State Science and Technology Commission, and commended him for making important contributions in the pioneering and promotion of efforts by the state to encourage natural sciences, and in advancing the development of natural sciences in China during his ten years of chairmanship.

Shandong Hosts Sci-Tech Work Conference

SK2406115691 Jinan Shandong People's Radio
Network in Mandarin 2200 GMT 23 Jun 91

[Text] After a four-day session, the national work conference on having science and technology make medium-sized cities across the country flourish concluded in Zibo City recently. During the conference sponsored by the State Science and Technology Commission, the governmental personnel from 107 cities throughout the country held extensive discussion and study on the issue of how to rely on scientific and technological progress to vitalize the urban economy; by regarding as a guiding ideology the strategy of letting science and technology be the first productive forces, summarized and exchanged the experiences gained by various cities and prefectures throughout the country in having the scientific education make cities flourish; discussed and formulated the opinions of further enhancing the task of having science and technology make cities throughout the country flourish; made a decision to ask the State Science and Technology Commission to select cities having different characteristics across the country to take up the pilot work in this regard; and adopted the measures of supporting or enforcing the special policy over the scientific and technological plan and work arrangements set in the spark and torch projects for popularizing scientific and technological results, for social development, and for foreign affairs so as to promote the development of having science and technology make cities flourish and to realistically orient the economic construction onto the track of relying on scientific and technological progress and of upgrading the quality of laborers.

The work conference received a congratulatory telegram from Song Jian, councillor of the State Council and minister of science and technology.

During the work conference, Hui Yongzheng, vice minister of science and technology, delivered a speech in which he summarized the basic experience gained by the country in having science and technology make cities flourish, which mainly reveals that many cities across the country have placed science and technology at the front of urban development and regarded the strategy of having science and technology make cities flourish as a basic experimental policy on promoting urban development. By regarding the measure of having science and technology make agriculture and enterprises flourish as

an emphasis, these cities have vigorously adopted or popularized the high and new technologies to develop modern agriculture, to improve the traditional industries, and to establish tertiary industry. In having science and technology make cities flourish, they have first made science and technology flourish, vigorously arranged investments in science and technology and engaged in the work of training talented personnel, brought into full play the role of the science concerning the work of making policy decisions, and have placed the strategy of having science and technology make cities flourish on the foundation of scientific policy decisions.

Song Fatang, vice governor of Shandong Province, attended the work conference and delivered a congratulatory speech. Han Xinmin, mayor of Zibo City, also delivered a speech in which he described the city's experience gained in the method of enforcing the guideline of having scientific education make the city flourish to accelerate the pace of vitalizing the city in an overall way.

The participating representatives at the work conference also visited a number of large and medium-sized enterprises in Zibo City, which had succeeded in making scientific and technological progress.

Advances Seen in Defense Science, Technology

HK2706012791 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0413 GMT 21 June 91

[Report: "China Makes Advances in Application, Basic Study of National Defense Science, Technology"—ZHONGGUO TONGXUN SHE headline"]

[Text] Beijing, 21 June (ZHONGGUO TONGXUN SHE)—Sources from China's Commission of Science, Technology, and Industry for National Defense have disclosed that China has recently made significant advances in the basic and applied research of national defense science and technology. Moreover, breakthroughs have also been made in a number of important technologies in the military field, thus strengthening the potential forces of the development of national defense modernization.

It has been learned that in recent years, China's national defense scientific and technological industry has attached great importance to basic and applied research, as well as the early-stage technological development; worked out nearly 2,000 research subjects; made breakthroughs in a number of important technologies in the military field; and achieved more than 2,000 results, among which more than 300 have won national-level awards.

It is understood that China has vigorously followed the world's advanced technological trends in its basic and applied research of national defense science and technology and has achieved a number of results, which represent the completion of the stage of research and development, in electronics, computers, new materials, nuclear technologies, and astronautics. Moreover, fairly great developments have also been registered in the applied study of the acquisition,

transmission, handling, control, and supporting technologies of military information. Theoretical study, trial manufacture, and production of a number of new components and equipment have also been fulfilled, while more than 7,000 varieties of military-use electronic basic products of several hundred thousand sizes have been developed and put into production. Technological transformation has been gradually carried out on a number of key laboratory centers, research and design offices, trial manufacture workshops, launching positions, and technical factory buildings; while research, testing, and technical processing means on new techniques and materials have been strengthened. In a number of key technological fields, expert groups have been set up and a large number of new technical personnel cultivated, thus giving shape to a supra-speciality and trans-trade technological consultative net of experts, which consists of several thousand people.

Science Academy Head Interviewed on Modernization

HK2306063091 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 22, 3 Jun 91

[Report by staff correspondent: "Try Hard To Catch Up, With the Emphasis on Ourselves: Chinese Academy of Sciences President Zhou Guangzhao on China's Strategy for Developing Science and Technology"]

[Text] Recently, this correspondent had an interview with Zhou Guangzhao, President of the Chinese Academy of Science, on the position and role of science and technology in the process of modernization.

Viewing the Importance of Science and Technology From a Strategic Perspective

The conversation started from how to boost China's economic development as soon as possible. Zhou Guangzhao said: "Our party and state leaders have repeatedly emphasized that the need to attach great importance and give full play to science and technology in order to fulfill the second-stage strategic goal of economic and social development. Now an urgent task is to mobilize vigorously scientific and technological circles as soon as possible; to inform our scientific and technological staffs of the true situation, aims, tasks, principles, and policies, as well as of existing difficulties and methods to overcome the difficulties; to make a clear analysis of our strong points and weaknesses; and to try to turn our weaknesses into strengths. These efforts will have far-reaching influence on the development trend in the next decade or even in the early 21st century."

Zhou Guangzhao held that the 1990's will be a crucial historical period. All the people who are concerned about and longing for the prosperity and invigoration of the motherland are seriously pondering the future of the country and are searching through practice for a socialist road with Chinese characteristics. What will the course of development of science and technology be in China? What role will science and technology play in social and economic development? What are the duties of scientific

and technological circles? What policies are we going to adopt? We should constantly study these questions and find answers in practice.

He said: "A country's scientific and technological development cannot go on without the overall economic, political, and cultural development of society, nor can it be separated from the world's scientific and technological development level and trend. Only on the basis of a clear understanding of national conditions and the state of world scientific and technological development, will we be able to formulate correct policies and take resolute and effective measures to catch up with the development of science and technology in the world. A marked characteristic of the changes in the world structure over the past 50 years is the gradual transition from military confrontation to economic competition, with the focus placed on competition in science and technology, or, to be more precise, competition in complex national strength. Every nation, without exception, will be willingly or unwillingly involved in this increasingly keen competition. The contention and conflict among Japan, the United States, and the European Community for the hi-tech market centering round the technology of microelectronics signifies the escalation of this competition as an open and white-hot one. To increase their competitive power, to survive, and to strive for development, governments of different countries and all consortiums have invested heavily in science, technology, and education, and made every effort to enhance scientific and technological standards and the quality of the labor force. It can be predicted that mathematics, physics, and other basic sciences, as well as space science, oceanography, and geoscience, will continue to develop; major breakthroughs will be made in such fields as information science and technology, the life sciences, biological technology, optoelectronic technology, new materials, energy saving, and new energy sources; and environmental science will draw wide attention. The development of all these scientific and technological branches will lead to a new technological revolution and social evolution, and finally have an impact on the world structure as a whole."

The Basic Principle for China's Scientific and Technological Development Strategy Should Be That of "Centering Round Our Own Needs and Trying Hard To Catch Up With Others"

Talking about China's scientific and technological development strategy, President Zhou Guangzhao noted: As a big country with a large population, relatively scarce per-capita resources, a long history and culture but less developed economy and education, and a vast territory but extremely unbalanced development in different localities, China should adopt the following guiding ideology in scientific and technological development: It must open its door to the outside world while refraining from relying on foreign countries; it should learn advanced experience from other countries while promoting the spirit of independence and proceeding in everything from its own national conditions; it should neither be too eager for quick success and instant benefit nor should it underestimate its own capabilities; and it

should not try to catch up with or surpass others in all fields simultaneously but should rather catch up with and lead others in a number of fields. By and large, our basic principle for scientific and technological development strategy and policies should be: centering round our own needs and trying hard to catch up with others.

The well-known physicist who had played a part in successfully developing China's first atomic and first hydrogen bombs said with full confidence: "In the history of human development, different nations are never at the same level in the process of civilization development, and no nation can always hold the lead. The Chinese nation did have its golden era in the development of civilization. Unfortunately it lagged behind others afterward. We must acknowledge our backwardness for the time being and redouble our efforts. If we do so, the future progress and development of the Chinese nation will be hopeful. The socialist revolution and construction under the CPC's leadership has provided the precondition for us to get rid of such a backward state." Having reviewed in retrospect the process of technological development in Germany, the United States, and Japan after World War II, Zhou noted: Over the past 40 years China has made great progresses in various fields of national construction. What is particularly important is that we now have laid down a pretty complete industrial and agricultural foundation and fostered a contingent of outstanding scientists and technologists. Practice has shown that the Chinese nation is a wise and hopeful nation. We should not underestimate our capabilities. On the established basis of industry, agriculture, science, and technology, we should give full play to the initiative and creativity of the workers, peasants, and intellectuals; promote an active and enterprising social spirit of pursuit of perfection and a work style of absolute devotion, conscientiousness, and originality; create necessary material conditions for development of science and technology; and vigorously seek and seize any opportunity for development of science and technology. If we can make unremitting great efforts in this way, I am sure we will certainly be able to catch up with developed countries.

Four Suggestions in Reference to Policy-Making

President Zhou Guangzhao then made some suggestions in reference to formulation of state policies. **To make it possible for us to catch up with others, we must provide some material guarantees for the development of science and technology.** For the time being, the amount of financial appropriations from the state is much lower than world average standards, and it has been decreasing these years. Although a number of national key scientific and technological development projects and major laboratories were built in recent years, generally speaking, many existing laboratories need to update their equipment. As many laboratories are operating with outmoded equipment, scientific research is handicapped by tremendous difficulties. What is particularly noteworthy is that many young scientists and technologists have left the country to work abroad or have shifted to other

professions because of laboratory deficiencies. Of course, given present national conditions, **financial appropriations available will remain limited**, and we should not compare our conditions with developed countries in terms of investments and equipment. **For us, an important task is to give full play to our initiative. For the moment, the selection of outstanding academic research leaders is a key link.** Academic research leaders are to play a role similar to that of army commanders during wartime. The quality of commanders will determine the army's style and fighting capacity, or even the outcome of the battle. Therefore, it is necessary to attach special importance to selection of outstanding scientific and technological research leaders.

Another suggestion put forth by Zhou Guangzhao was that China must **"gear its policies to its own needs and further open up to the outside world."** Zhou said: We must make full use of the international environment and promote exchange and cooperation. **It is completely correct to assimilate and import advanced technology and managerial experience from abroad. But we must gear our policies to our own needs, and our purpose is to catch up with others as soon as possible.** Nowadays, science and technology has been developing so fast that even developed countries cannot possibly monopolize all the fields. Therefore, in an international society, to pool mankind's wisdom and intellectual fruition, we must implement a further opening up policy. At the same time, however, we must uphold the principle of centering round our own needs and putting science and technology in our service. The principle of centering round our own needs must be reflected in the selection of cooperation and exchange projects, and what is more important is that we must give full play to the initiative and creativity of our contingent of scientists and technologists, encouraging them to create new things while learning from others and to suit foreign technology to our domestic conditions.

Zhou Guangzhao's third suggestion is **to promote in the community a spirit of respecting knowledge, talented people, and originality, and to implement the specific policies concerned.** He said: Scientific and technological research is mainly a kind of mental labor. Although scientific and technological achievement can be possessed by a collective or an individual in one form or another, a patent for instance, it will be rendered valueless in the field of natural sciences if it is not readily used by society. In general, therefore, scientists and technologists should be ones who have the greatest respect for science and are most realistic and devoted. They should be willing to make contributions to society, while society should show respect for their work, provide them with fine working and living conditions, create a fine working environment that will encourage original creation, bring their initiative into full play, and allow them to use their talent and make contributions to the motherland.

Talking about innovation, Zhou Guangzhao emphasized: Scientific discoveries and technological innovations represent a country's scientific and technological standard and serve as advanced productive forces and the cradle of new

technological and industrial revolutions. Laboratories are bases to foster outstanding scientists and technologists. In light of the current specific circumstances in China, we need to build a number of scientific and technological research bases and foster a dynamic but relatively stable contingent of capable scientists and technologists. Steady financial support from the state will encourage scientists and technologists to concentrate on basic scientific and technological research.

Innovation is not merely the development of new technology but also includes engineering inventions, development of new techniques, or even new product designs, packaging, and the development of a series of new processes. The transformation and innovation of a series of industrial processes will determine product quality, production costs, marketing means, and enterprise efficiency. Only when the initiative of the vast number of scientific and technological personnel and workers in enterprises is brought into full play in a series of industrial transformation and innovation processes, will imported technology and equipment be assimilated and transformed into something that suits China's needs. Only in this way will we be able to update our products to meet demands on both the domestic and overseas markets.

Zhou Guangzhao emphasized: "The Chinese nation has traditions of seeking perfection, of saving every penny, and of hardwork. It is necessary to carry forward China's fine traditions. This is an essential point. If an economically underdeveloped country wants to catch up with developed countries, on the one hand it will have to make constant innovation and seek access to the international market with new technology, new products, fine quality, and low prices; on the other hand, it will have to work harder than others. In developing science and technology we need such a spirit too. We should promote the spirit of devotion, unity, and hardwork. Without very high scientific attainments, a mentality to work harder than others, lofty moral integrity, and the willingness to work with others, one cannot become an outstanding scientist, and will not possibly make any major achievements and catch up with one's rivals."

The fourth suggestion put forth by Zhou Guangzhao is about **the in-depth reform of the scientific and technological research structure.** He said: In the past few years, great progress has been made in reform of the scientific and technological research structure, which has pushed ahead scientific and technological development in China. Technological development, in particular, is now directly geared to the needs of economic and social development and has thus greatly contributed to economic growth. To implement the principle of centering round our own needs and catching up with others, however, we still must continue our pursuit and evolution in the organizational administrative structure and operational mechanism, so as to accomplish the transition to the new structure, thus building up a new structure which will conform with the law of contemporary scientific, technological, and economic development and suit the needs of development in the 21st

century, realizing the free exchange of qualified personnel, scientific and technological research results, information and funds in research, developmental projects, and production, and bringing about a new setup characterized by a harmony between scientific and technological development and social and economic growth.

Looking Forward to the Opening of the Second National Science Conference

Finally, Zhou Guangzhao expressed his hope that the second national science conference will be opened soon. He said: In the process of socialist construction and scientific and technological development in China, two major events related to science and technology should be put down in the annals of the republic. The first event took place in 1956. Under the leadership of Zhou Enlai, Nie Rongzhen, and other proletarian revolutionaries of the older generation, scientists in all China were organized to formulate a 12-year scientific and technological development plan, and they proposed afterward four major measures to promote development of computers, the electronics industry, and atomic energy. This operation laid down a sound foundation for development of science and technology in China and vigorously boosted economy and the defense industry. The second major event occurred after the smashing of the "Gang of Four." Comrade Deng Xiaoping personally presided over a national science conference, thus inspiring Chinese scientists and technologists and giving impetus to the development of science and technology in China. Now that the Fourth Session of the Seventh National People's Congress has approved the Outline for the 10-Year Program and the Eighth Five-Year Plan for Economic and Social Development, and clearly defined the goal and tasks for the next 10 years, we are at a crucial moment. Therefore, the calling of a second national science conference is necessary and timely.

Zhou Guangzhao said with confidence: "The Chinese nation is an outstanding nation, and China has a contingent of scientists and technologists full of creativity and hard working spirit. Under the guidance of the party's basic line of one center and two basic points, our scientists and technologists are bound to catch up with the world's advanced standard to meet China's own needs, and make new contributions to promoting science, updating technology, developing the economy, and invigorating China."

Satellite Antenna Research at World Standard

OW2106012491 Beijing XINHUA in English
0050 GMT 21 Jun 91

[Text] Lanzhou, June 21 (XINHUA)—The Lanzhou Institute of Physics, in conjunction with the Chinese Space Technology Research Institute, has made a breakthrough in prolonging the service life of communication satellite antennas.

A technological appraisal meeting here, sponsored by the National Commission for Science, Technology and

Industry for National Defense, announced that China's technology in this regard has reached the world advanced level.

At the meeting, attended by more than 40 experts, the institute claimed that the lubrication technology for space machinery—involving the testing of bearings over a 10-year period—has reached the international advanced level.

Military

Jiang Zemin Writes Training Class Inscription

HK2606124591 Beijing JIEFANGJUN BAO
in Chinese 6 Jun 91 p 1

[Report by Li Yueshe (2621 6460 4357): "Jiang Zemin Writes Inscription for Militia Work Regulations Training Class"]

[Text] At the closing ceremony of the Army's training class on "militia work regulations" on 5 June, Chief of General Staff Chi Haotian read an inscription written for the training class by Jiang Zemin, general secretary of the CPC Central Committee and chairman of the Central Military Commission: Carry out an integration of the highly efficient standing Army with the strong reserve forces to build a modern national defense.

By conscientiously studying the guidelines and policies of the party Central Committee, the State Council and the Central Military Commission regarding the building of our country's reserve forces as well as the newly issued "militia work regulations," the month-long training class linked them with the prevailing realities in examining the theoretical and practical issues concerning work on the militia and the reserve forces under the new situation. They further clarified the guiding ideology, objectives and responsibilities involved in the building of the national defense reserve forces; incorporated the basic experience on the party's control over weaponry; summarized the basic features in the building of national defense reserve forces with Chinese characteristics; defined the standards governing militia work and the basic features of the "three implementations"; outlined the basic guiding principle behind the mobilization work of our country's soldiers; examined the distinctive characteristics in the mobilization of troops for modern limited warfare; and clarified the role of the provincial military districts and their principal responsibilities.

Also present at the closing ceremony were: Zhang Zhen, commandant and political commissar of the National Defense University, He Qizong, deputy chief of the General Staff, Li Lun, deputy director of the General Logistics Department, and the responsible comrades from the relevant administrative departments of the three general departments.

Meets Defense Scientists

HK2606053591 Beijing RENMIN RIBAO in Chinese
14 Jun 91 p 1

[Report by XINHUA reporter Xu Zhimin (6079 1807 2404) and RENMIN RIBAO reporter Xie Lianhui (6200 5114 6540): "Jiang Zemin and Others Meet Model Science Workers of National Defense Science, Technology, and Industry Commission"]

[Text] Beijing, 14 Jun (RENMIN RIBAO)—Jiang Zemin, general secretary of the CPC Central Committee and chairman of the Central Military Commission, Zou Jiahua, vice premier of the State Council, and other leading comrades of the Central Military Commission such as Liu Huaqing, Yang Baibing, Qin Jiwei, Chi Haotian, Zhao Nanqi, today cordially met the heroic models attending the grand meeting of representatives of advanced collectives and individuals of the National Defense Science, Technology, and Industry Commission [NDSTIC].

Jiang Zemin said in his speech: Recently the central authorities have repeatedly stressed that science and technology [S&T] are the first productive force. Judged from the current complicated international situation, the role of S&T is truly important in national economic and defense construction, and if attention is not paid to S&T, it is very difficult to carry on our country's construction. We must respect science, and we must attach importance to weapons, of course, man is to determine the victory or defeat in war. Compared with the advanced countries in the world, we still lag far behind, and there are many things we have to catch up, therefore, we can only pursue something and give up something, and we must grasp the crucial points and concentrate our strong points and manpower to fight a war of annihilation. The experience in the practice of our country's "two bombs and one satellite" has fully explained this point.

Among the representatives of heroic models, Jiang Zemin saw a professor of 80 years old and a young warrior of 18 years old. He said: This indicates that the national defense science and technology contingent is an organic whole, and each generation can pass on to another generation, and our undertaking is full of promise. On behalf of the CPC Central Committee, the State Council, and the Central Military Commission, he sent cordial greetings to the great masses of S&T workers who fought hard on the first front of S&T experiments for national defense, and wished them better results in their new endeavors.

The meeting of representatives of advanced collectives and individuals of the NDSTIC summed up the outstanding tradition which has been gradually formed by the scientific and technological front for national defense, and that is, the spirit of "self-reliance, plain living, hard work, scientific enquiry, vigorous cooperation, and selfless dedication." It called on army units to carry out extensive activities of learning from heroic models while considering the actual situations of their

duties and posts, continually improve political and ideological quality and the ability to conduct scientific research and experiments, to make new contributions to developing the S&T undertaking for national defense.

Yang Baibing, Others Attend Army Exhibition

OW2406142091 Beijing XINHUA Domestic Service
in Chinese 0929 GMT 24 Jun 91

[By Cao Guojiang (2580 0948 1730)]

[Text] Beijing, 24 Jun (XINHUA)—A grand opening ceremony of a large exhibition "the People's Army is Loyal to the Party" was held today at the Chinese People's Revolutionary Military Museum to mark the 70th anniversary of the founding of the Communist Party of China. Leaders from the Central Military Commission including Liu Huaqing, Yang Baibing, Qin Jiwei, and Chi Haotian attended the opening ceremony.

This grand exhibition was sponsored by the Military Museum. On display are some 1,500 pieces of precious historical relics and photos which vividly and graphically depict the glorious history of the people's Army. Those historical relics and photos attest to the birth and growth of the people's Army and its rendering of meritorious service to the Chinese revolution under the leadership of the Chinese Communist Party. The exhibition convincingly presents such an irrefutable truth: Without the Communist Party of China, there will be no New China, there will be no socialist modernization, and there will be no happy life for the people. In order to lead the people to seize the power and consolidate it, the party must independently lead a strong people's Army. The People's Army must consciously put itself under the absolute leadership of the party if it wants to grow strong and correctly fulfill its functions. Upholding the party's absolute leadership over the Army is the soul and foundation of our Army's founding.

After the opening ceremony, Yang Baibing, secretary general of the Central Military Commission, and director of the PLA [People's Liberation Army] General Political Department, visited the exhibition together with leading comrades from the PLA General Staff Department, General Political Department, and General Logistics Department, as well as with several hundreds of representatives from the grass-roots units of the Army, navy, and air force.

Chi Haotian Urges Upholding Party Cause

OW2706232191 Beijing XINHUA Domestic Service
in Chinese 1107 GMT 27 Jun 91

[Reporter Hu Nianqiu (5170 1628 4428) and correspondent Jin Ying (2516 7751)]

[Text] Beijing, 27 Jun (XINHUA)—Chi Haotian, chief of the General Staff of the PLA [People's Liberation Army], today spoke at a meeting of the General Staff

Department [GSD] on marking the 70th founding anniversary of the Communist Party of China. He said: Looking back at the glorious history of our party, we know that today's victory did not come easy. All levels of party organizations and party members of the GSD should strive to raise their Marxism-Leninism levels and inherit and carry forward the excellent tradition of the party. We should unite and strive for the realization of our party's second-step strategic goals.

Eleven advanced party committees, 30 advanced party branches, and 51 outstanding party members were commended by the party committee of the GSD at today's meeting.

Chi Haotian said: The 70-year history of party construction and growth shows that the constant use of Marxist theory to arm the whole party is the most basic condition to ensure the smooth development of the cause of the party and the important guarantee to do a good job on party building and fulfilling party tasks. Our party is now in a key historical period. We are now facing a very complicated international and domestic environment. The new situation and tasks set an urgent demand on us to raise Marxist levels, be a resolute and clear-headed Communist Party member, ensure party's absolute leadership over the army, ensure the barrel of the gun be genuinely held in the hands of those who are loyal to Marxism, and ensure that the GSD will always be politically qualified. We should advance our party cause and implement all measures which are designed to advance party construction. He called on all party members to do exactly what they learn and urged them to be consistent in both words and action. It is necessary to practice what one preaches, adopt a down-to-earth work-style, and conscientiously work for the party cause. If all will conscientiously do their share and are willing to work in a down-to-earth way, our party will surely take on a new outlook. The party cause will surely win the genuine support from millions and millions of the masses and will advance and develop triumphantly.

Logistics Department Director Stresses Secrecy

*HK2806101791 Beijing JIEFANGJUN BAO
in Chinese 16 Jun 91 p 1*

[By special correspondent Guo Chunsheng (6753 2504 3932) and correspondent Ma Chunli (7456 2504 2651): "PLA General Logistics Department Director Zhao Nanqi Stresses Need To Keep Files Strictly Secret"]

[Text] Zhao Nanqi, member of the Central Military Commission and director of the General Logistics Department (GLD), stressed at the GLD Work Conference on Keeping Files Secret on 1 June: There are already regulations and rules regarding how secrets should be kept. The most important thing now is to strictly enforce them. First, it is necessary to conscientiously carry out education integrating knowledge about secret-keeping, anti-infiltration, patriotism, and anticorruption to build up defense for secrecy against spying.

Second, regulations regarding the maintenance of secrecy and various systems and measures must be conscientiously implemented. Logistics departments should strengthen the management and confidentiality of secrets concerning activities with foreigners and concerning production and operation activities. Third, secret-keeping organizations must implement the regulations and clarify their responsibility of leadership. Leading comrades and leading organs should be the first to vigorously keep secrets secret. They should pay attention to the personnel around them and their family members. For those serious secret leakage cases, it is necessary to affix responsibilities to relevant parties or leaders without indulgence and toleration.

At the meeting, the GLD commended 16 advanced units and 31 advanced workers who have done outstandingly in keeping secrets secret and maintaining files secret.

Nie Rongzhen Inscribes 'Heroic Feats' Documentary

*OW2406141991 Beijing XINHUA Domestic Service
in Chinese 0644 GMT 24 Jun 91*

[By reporter Huang Caihong (7806 1752 5725)]

[Text] Beijing, 24 Jun (XINHUA)—The China Central Television Station will show a large artistic documentary entitled "Heroic Feats." Marshall Nie Rongzhen inscribed the title of the film.

The 16-episode film portrays Chinese communists during the 12 years of revolutionary struggle in cultivating the liberated areas of Shanxi, Chahar, and Hebei. More than 200 people—including veteran generals, commanders, party members, as well as models in the old liberated area of Taihang Shan who supported the frontline during the revolution and historical witnesses of several important battles—were tracked down and interviewed for the film, revealing many rarely-known stories of historical significance. In a realistic yet artistic way, the film extols great contributions by soldiers and civilians in Shanxi, Chahar, and Hebei to the Chinese revolutionary cause during the War of Resistance Against Japan and the liberation war under the CPC's leadership.

Commentator on Army Ideological Work, Part 5

*HK2206081791 Beijing JIEFANGJUN BAO
in Chinese 30 May 91 p 1*

[Commentator's article: "Let Us Do It Together: Striving for New Breakthroughs in Regular Ideological Work (Part Five)"]

[Text] If regular ideological work is to be regular, steady and effective, one very important requirement is that everyone must take part—from organs to grass roots, from leaders to the masses, from political cadres to other cadres.

All undertakings should follow the mass line, and this is especially true with regular ideological work. It is also a consistent policy of our Army to launch mass ideological

work and to discover and resolve all kinds of ideological problems promptly. Because this kind of work involves every cadre and soldier and covers various aspects of military training, logistics assurance and the daily life of the troops, it may be said to be present everywhere and at all times. And because it is such broad, regular, concrete and detailed work, it is necessary for everyone to take part; otherwise, the work will not be carried out effectively if it is left to just a few political cadres or grass-roots officials, no matter how competent they may be. It should also be noted that regular ideological work should explore the ideological pulse of the cadres and soldiers and, by taking into account the different circumstances, "each problem should be addressed individually." Consequently, it is necessary to mobilize and rely on the masses. After all, two heads are better than one. By mobilizing forces from all quarters, it will be possible to clarify the circumstances, devise the correct method, make regular ideological work more timely and effective, and ensure the early prediction, early discovery and early resolution of problems. In our Army, the comrades from top to bottom are all equal politically speaking, and they should care for and help each other ideologically. Everyone should become both a participant and a subject of ideological work so that a lively situation will materialize where everyone takes part in the work and everyone receives enlightenment from it. This is a vivid manifestation of the party's mass line in terms of political and ideological work. It is also the fundamental reason behind the strength and power of our political and ideological work.

By asking for participation from everyone, party committees at all levels are also asked to take a firm grasp of regular ideological work as the fundamental link in stepping up the overall building of the Army. At present, there are some units which do not lay great stress on reliance on the masses, resulting in "enthusiasm at the top but indifference at the bottom." Hence, it is still common to see irregular, unsteady and unpopular regular ideological work. It is therefore necessary to grasp two things founded on a genuine understanding of the state, problems and reasons for the regular ideological work of the troops: One is the strengthening of the command in the first line of political and ideological work, that is, the leadership of brigade, regiment, battalion and company. The so-called first line refers to the level which exercises "face-to-face" leadership over subordinates. They are the direct leaders, organizers and executors of regular ideological work at grass-roots level. If they are grasped firmly, the crucial issue will also be settled. It is necessary to select good and strong leading organs, particularly the principal officers, for these units and help them gain a full understanding of the importance of doing a good job in regular ideological work. It is also necessary to join them in studying and devising systems and measures designed for effective regular ideological work, to carry them out conscientiously, and, at the same time, to consider the implementation of regular ideological work as an important criterion in checking the building of the leading organs and their

actual achievements. The other is to do a conscientious job in building an ideological backbone force. Experience has shown that aside from a fairly strong first line command department, it is also necessary to have concrete executors in order to carry out and implement the work forcefully. Hence, if regular ideological work is to be upgraded, it is imperative to reinforce the building of an ideological backbone force. It should be understood that regular ideological work is an undertaking which involves continuous harmonizing of interpersonal relationships, raising of people's consciousness, and mobilization of people's initiative and creativeness. Therefore, it should be considered as the "common subject" of all departments in the organ. As the principal department in charge, political organs should exert all efforts in carrying out this work. Meanwhile, aside from performing their own respective work properly, the military and logistics departments should also actively and voluntarily assume similar responsibilities. Party committees at all levels should present concrete demands based on the actual situation among their respective troops, and mobilize and organize the various departments of the organ and its different types of cadres in order to form a genuinely united force in regular ideological work.

As the file leaders and fundamental forces in the drive to "encourage participation by everyone," the backbone elements of ideological work are of utmost importance to a successful undertaking of regular ideological work. In so far as the grass roots are concerned, aside from the cadres, the strengthening of the building of the backbone force means primarily exerting great efforts to build an ideological backbone force made up of professional soldiers, squad leaders, and party and Communist Youth League team leaders. Comrades who are politically and ideologically correct, are competent in military technology, enjoy a great reputation among the people, and demonstrate a certain aptitude for ideological work should be chosen and trained. It is necessary to pay attention to the grouping of old and new people and of people from different regions, and to carry out timely readjustment and reinforcement in case of retirements and replacements. Training refers, on the one hand, to the stepping up of studies. The study of relevant documents and the guidelines laid down by superiors should be organized frequently, where the ideological and theoretical qualities as well as actual work capability of the mainstays will be upgraded through seminars, "brainstorming sessions," exchange of experience, and instructions by leaders and other means. On the other hand, training also refers to the delegation of authority. The backbone elements should be given frequent assignments, subjected to rigid demands, provided with instructions, and subjected to diligent inspection and supervision. They should be praised and encouraged for their achievements and given assistance and support in the face of problems. The initiative of the backbone elements should be mobilized through this work.

Commentator on Correct Political Conviction

HK2606134791 Beijing JIEFANGJUN BAO
in Chinese 6 Jun 91 p 1

[Commentator's article: "Establish Correct Political Conviction: Further on Strengthening Study, Education in Theory on Party Building"]

[Text] The fundamental objective in stepping up the study and education in Marxist theory on party building is to strengthen the building of the party's politics, ideology, organization and style and raise the ideological and political quality of the party members as well as the fighting capability of the party organizations at all levels. Concerning on the improvement of the quality of party members and the ideological building of the party, it is of particular importance at present to settle the question of political conviction satisfactorily.

What is the political conviction of communists? In a word, it is the conviction in the truth of Marxism, the inevitable demise of capitalism and the inevitable victory of socialism and communism. The establishment of a correct political conviction will always serve as a powerful spiritual pillar in our efforts to overcome difficulties, triumph over enemies and gain victory. The experience of history tells us: The collapse of the spiritual pillar invites self-destruction; when the going gets tough, it is even more necessary to have a firm conviction, but the conviction of people wavers most easily during difficult times. Today, at a time of turbulence in the international situation, the hostile forces are trying to intensify the propagation of the "peaceful evolution" strategy by taking advantage of the setbacks in the socialist cause. The offensive of the enemy is neither surprising nor frightening. "The best horse needs breaking, and the aptest child needs teaching." What is important is that given the tumultuous times, it is necessary to see whether or not our comrades can cling to the correct stand, hold high the banner of Marxism, resolutely consolidate the socialist system in our country, and continue to promote the socialist cause in our country. This is a major test of our party, our Army and each and every one of our comrades. The reason some party members and cadres commit mistakes or even embark on a road of crime may be attributed ultimately to problems in their conviction and in the aims they are pursuing. It is precisely for this reason that the leaders of the party Central Committee, the Central Military Commission and the general departments have always paid great attention to an effective resolution of the question concerning the troops' political conviction. In recent years, they have continuously pursued education in the upholding of the four cardinal principles and opposing bourgeois liberalization as well as education in the establishment of socialist conviction and the party's absolute leadership over the Army. Experience has shown that the party's absolute leadership over the Army can be realized by transforming the party's program, guidelines and objectives into the political conviction of the cadres and soldiers. Only when the objective is one

and the same can there be a shared cause; only with "faith, loyalty, conviction and integrity to defeat the enemy" is it possible to follow the party with one heart and soul. Consequently, in stepping up the study and education in the theory on party building, it is necessary to stress the resolution of the question of political conviction. This may be said to be the "commanding elevation point" in the ideological and political guidance of the troops.

The establishment of political conviction demands that we should be farsighted when studying a situation or a problem. We should look at the essence and the development and not be blinded by certain temporary phenomena. In their lifetimes, our older generation of proletarian revolutionaries have seen countless hardships and setbacks, yet even when the revolution was at its lowest ebb and faced with the enemies' butcher knives, they never wavered in their conviction and faith in the party's cause. The reason was that they stood high and aloft and had great foresight. The temporary setbacks encountered during the advance of the socialist cause are but interludes in the long river of history. They have not and could not alter the general trend in the development of world history wherein socialism will inevitably replace capitalism. Facts have already shown and will continue to show that while the road to socialism is long and winding, the future is bright. There is an old poem which says: "If one is to avoid the floating clouds hindering one's view, one must get to the highest peak." If we are to look beyond the floating clouds and get a good look at the greater situation in the world and in the development of socialism, then we have to climb to this "highest peak" epitomized by the law on the development of human society as explained by Marxism. To do so, it is necessary to study and master Marxism-Leninism-Mao Zedong Thought relentlessly, including the theory on party building, and build one's political conviction firmly on the foundation of Marxist theory.

Ultimately, the test of firmness of conviction depends on facts and actions. On the one hand, we should use political conviction to guide practice, and on the other, we should establish a firmer political conviction through practice, that is, through "the remolding of the objective world, remolding of one's own subjective world—remolding of one's understanding capability." To a Communist Party member, the so-called reliance on facts and actions means checking to see whether or not he can firmly implement the party's guidelines, policies, principles and decisions and actively complete all the tasks of the party; whether or not he serves the people wholeheartedly, insists on putting the party's and the people's interests above all else, is the one to suffer first and the last to enjoy, and is totally devoted to the public good; whether or not he can resolutely carry out the party's decisions, conscientiously obey party discipline and state laws, and firmly uphold the interests of the party and state; whether or not he can maintain close links with the masses and set an example in training, work and study; and whether or not he would surge to the forefront and struggle valiantly at the most difficult and dangerous times and foster the

revolutionary spirit of fearing neither hardship nor death in order to protect the interests of the motherland and the people. Especially in view of the efforts by hostile domestic and foreign forces to pollute the Communist Party and of the temporary problems encountered by the socialist cause at the present time, it is necessary to see whether or not he can distinguish between right and wrong in terms of theory and practice, uphold the four cardinal principles, oppose bourgeois liberalization with a clear-cut stand, and stand the test in the struggle against "peaceful evolution" and in the reform and opening up. A satisfactory resolution of this problem and the self-construction of a firm line of defense is undoubtedly very important to every comrade in our troops, including comrades who have been party members for a longer period. Let us use our own actions to put conviction into practice, test our conviction with practice, and firm up conviction further through practice. "Standing proud and strong in spite of the brutal challenges from all corners." Regardless of how turbulent the international political situation may be, let us advance resolutely and courageously along the road to socialism with Chinese characteristics!

General Political Department Commends Party Units

HK2606135191 Beijing RENMIN RIBAO in Chinese
19 Jun 91 p 1

[XINHUA report: "General Political Department of People's Liberation Army Issues Circular Commending Advanced Organizations, Outstanding Party Members"]

[Text] Beijing, 18 Jun (XINHUA)—At the moment for commemorating the 70th anniversary of the CPC's founding, the General Political Department has decided to commend the party committees in 17 units and 100 grass-roots party branches and 200 party members in order to publicize the advanced, establish models, and promote a profound development of party building in the whole Army.

The General Political Department's circular points out: In recent years, party organizations at various levels and the great masses of party members in the whole Army have scored marked results in the practice of building a modernized and regularized revolutionary army, seriously implementing the party's basic line, resolutely carrying out various decisions and instructions by the CPC Central Committee and the Central Military Commission, safeguarding the party's absolute leadership over the Army, strengthening overall construction of the Army, maintaining the Army's high degree of stability and unity, accomplishing combat and training duties, and improving the Army's fighting ability. A great number of advanced party committees, advanced party branches, and outstanding party members have emerged. Their extraordinary achievements and model deeds have pointed to a new situation of Army construction and party building.

The circular demands party organizations at various levels and the great masses of party members within the

Army learn from the commended advanced party committees, advanced party branches, and outstanding party members. The circular hopes that the commended advanced party committees, advanced party branches, and outstanding party members will cherish the honor, be humble and careful, refrain from arrogance, and keep seeking new and bigger achievements. Party committees at various levels, party members, and the great masses of cadres and soldiers must unite more closely with the CPC Central Committee with Comrade Jiang Zemin as the core, as well as with the Central Military Commission; they must increase the sense of responsibility and the sense of history, and fight for materializing the great goal of the 10-Year Program and the Eighth Five-Year Plan and for promoting revolutionized, modernized, and regularized construction of our Army.

Beijing Enforces Military Protection Zones

SK2806034991 Beijing BEIJING RIBAO in Chinese
6 May 91 p 1

[Text] The writer was informed at the Beijing municipal work conference on protecting military facilities held a few days ago that: Beijing Municipality has comprehensively carried out the work of designating military facilities protection terrains. A group of military facilities terrains will be respectively designated as restricted military zones and military administrative zones.

Beijing Municipality and the Beijing Garrison District have taken "the PRC law on protecting military facilities" as a legal basis for regulating the local economic construction and safeguarding the safety and interests of the state. In line with the special characteristics in which the capital has many major military facilities and large military facilities protection areas and sets strict demands on the protection work, and that the capital's designation work is comparatively complicated, they established the Beijing municipal committee for protecting military facilities with Su Zhongxiang, vice mayor, as its chairman and Gao Yunjiang, deputy commander of the Beijing Garrison District, as its vice chairman. All districts (counties), townships (towns), and neighborhood committees also successively assigned special people to take charge of the work and established military facilities management networks. In mid-March, work groups dispatched by the committee and responsible leaders of Haidian District conducted the designation work on a trial basis at a certain air force unit. The work groups conducted investigations, heard the introduction of the situations of Army units and localities, consulted property rights data, and attempted to understand the historical evolution and the on-the-spot reconnaissance work. According to the relevant regulations as established in the law on protecting military facilities, the work committee made designations on the spot and provided the entire municipality experience in conducting the designation work. At the time of designating the military facilities protection zones, we paid attention to safety, security, and efficacy; we also considered the economic construction, the protection of the natural

environment, and the production and livelihood of the local people. An ideal result in which the army units and the localities are fairly satisfied at has been made.

Beijing Garrison Helps With Flood Relief

HK2706141591 Beijing RENMIN RIBAO in Chinese
22 Jun 91 p 4

[Report by Xiao Xingxiang (5135 2502 5046) and Lu Gaopai (0712 7559 2226): "Beijing Garrison's Officers, Men Make New Contribution to Flood-Fighting"]

[Text] Beijing, 21 Jun—Officers and men of the Beijing Garrison have carried forward the tradition of supporting the government and cherishing the people by fighting floods and making rescues in the disaster-stricken areas of Huairou and Miyun, and have thus won the praise of the masses.

In early June, the mountainous areas of Huairou and Miyun on the outskirts of Beijing were struck by floods which have been rare over the past 100 years. Dong Xuelin, commander of the Beijing Garrison, immediately dispatched the entire garrison, fought the floods, and rescued people in these areas. As soon as the garrison's officers and men received the telephone call for help, they rushed to the scene and arrived within 30 minutes.

In Huairou, 200 officers and men of a certain regiment, despite the danger of being swept away, courageously jumped into the flood water and joined their bodies to form four human barriers to fill a breach. [as published] After courageously working for three hours, they succeeded in stopping the floods by building a dam 45 meters long and 1.8 meters wide. In this way they safeguarded the industrial zone on the upper reaches and alleviated the danger that had threatened more than 3,800 people.

In Miyun county's Baimiao village, over 1,700 people were encircled by flood water, traffic was at a standstill, and food and water ran out. The officers and men, under the leadership of Wang Junsheng, political commissar of a certain department of the people's armed forces, traveled as far as 30 kilometers and succeeded in delivering more than 3,000 kg of grain to this disaster-stricken village.

Recently, a goodwill team headed by Beijing Garrison commander Dong Xuelin, and Vice Political Commissar Huang Xiangchu went to the abovementioned disaster-stricken areas, which lie in the outskirts of Beijing, and donated 20,000 yuan and over 7,000 kg of grain to people living there.

Guangzhou Region Celebrates 70th Party Anniversary

HK2806091991 Guangzhou Guangdong People's Radio
Network in Mandarin 0400 GMT 27 Jun 91

[Text] This morning, the organs of the Guangzhou Military Region as well as the troops stationed in Guangzhou held a report meeting to commemorate the 70th anniversary of the founding of the CPC and publicize

deeds of some advanced party members. More than 1,000 officers and soldiers happily gathered in the military region's auditorium to solemnly commemorate the CPC's birthday.

At the meeting, (Zhou Yuhua), an anti-aircraft artillery brigade commander from a certain group army, and three other advanced party members made reports on their own heroic deeds. (Sun Zhongyun), political commissar of a certain warehouse, gave an account of the heroic deeds of an advanced party member named (Ye Hanlin).

Commander Zhu Dunfa delivered a speech in which he said: At a time when we are commemorating the 70th anniversary of the founding of the CPC, an important task facing us is to successfully build party organizations at all levels and in all units under our military region, push ahead with our comprehensive troop building, strengthen confidence in our party, love our party, trust our party, forever follow our party, and do everything possible to implement the principle of ensuring party's absolute leadership over the armed forces among all our units.

Jiang Chunyun Addresses Shandong Army Meeting

SK2606122491 Jinan Shandong People's Radio
Network in Mandarin 2200 GMT 25 Jun 91

[Text] Jiang Chunyun, secretary of the Shandong Provincial CPC Committee, and Song Qingwei, political commissar of the Jinan Military Region, delivered speeches at the provincial meeting of secretaries of party committees of the people's Armed Forces departments at three levels on 25 June.

They pointed out in their speeches that Shandong Province is located in the front sentry post of coastal defense and its strategic position is very important. Doing a good job in conducting the militia work across the province represents a sacred mission undertaken by party committees at all levels. Efforts should be made to fully discern the extreme importance of having the party manage the Armed Forces and to unswervingly uphold the fundamental principle of having the party manage the Armed Forces so as to ensure the militia units to be always subordinate to the party's leadership.

The provincial meeting of secretaries of party committees of the people's Armed Forces departments at three levels concluded in the city of Jinan on the afternoon of 25 June.

During the closing ceremony of the meeting, Zhao Zhihao, deputy secretary of the provincial party committee and governor of the province, first announced the decision made by the provincial party committee and the party committee under the provincial military district with regard to commending the advanced individuals outstanding in the work of having the party manage the Armed Forces and the decision made by the provincial people's government and the provincial military district with regard to commending the advanced militia units outstanding in the work of managing weapons. During

the closing ceremony of the meeting, presenting certificates and honorary banners to the representatives of advanced individuals and units were leading comrades, including Zhang Wannian, Song Qingwei, Jiang Chunyun, Zhao Zhihua, Gao Changli, Yan Zhuo, Zhang Ruifeng, Yi Yuanqiu, Zheng Guangchen, Han Yonglu, and Yang Jiqing.

During the meeting, Jiang Chunyun delivered a report entitled "Uphold the Fundamental Principle of Having the Party Manage the Armed Forces and Strive To Improve the Work of Building Militia Units and Reserve Forces to a New Level".

He stated in his report that a country without national defense will not be safe and the people without their Armed Forces will not enjoy the peace. This is the truth which has been repeatedly proved by the ancient and modern histories as well as by the domestic and foreign ones. Party committees at all levels are assuming important leading duties in this regard; and should more consciously put the work of building the reserve forces of national defense on their daily schedule, make overall arrangements for the work, organize the work thoroughly, carry out the work in a down-to-earth manner, and should strive to build the strong reserve forces of national defense reflecting the Chinese characteristics.

Jiang Chunyun pointed out in his report that on the premise of observing the whole situation, it is imperative to steadily upgrade the quality of militia military technologies and political affairs so as to meet the needs of building up national defense. The provincial party committee has urged that all secretaries of party committees must clearly know that party committees without the work of managing their Armed Forces will not be qualified and that secretaries without the work of managing the Armed Forces will not be in conformity with their posts. Both party committees and party secretaries should fulfill their duties in this regard, do a good job in conducting the work, and should organize or mobilize the personnel of militia units and reserve forces to make new and still greater contributions to realizing the province's 10-year program and the Eighth Five-Year Plan.

During the meeting, Song Qingwei also delivered a speech in which he stated that Shandong is an old revolutionary region and has an age-old historical tradition in the work of having the party manage the Armed Forces. The province's prominent achievements scored in the work of having the party manage the Armed Forces and its rapid progress in the work of militia affairs and reserve forces have shown the ardor or enthusiasm displayed by party committees and governments at all levels in paying attention to the undertakings of Armed Forces and been an embodiment of the blood and sweat of the people throughout the province. As for the issue of how to implement in a down-to-earth manner the work of having the party manage the Armed Forces under the new situation, he put forward the following five demands: 1) Efforts should be made to enhance the concept of political construction and to always regard the political qualification as the first important task for having

the party manage the armed forces. 2) Efforts should be made to enhance the concept of improving the militia skills to enable the militia units to become strong and to vigorously enable the quality of militia units and reserve forces to meet the demands of modern wars. 3) Efforts should be made to enhance the concept of making overall arrangements for the militia work and fostering coordination among various departments for the militia work, to bring into play the contributing factors of various social circles, and to combine these factors into the associated forces of militia work. 4) Efforts should be made to enhance the concept of regarding cadres as the basis of militia work and to implement in a down-to-earth manner the various tasks of the work of having the party manage the Armed Forces through the effort to build cadres' contingent. 5) Efforts should be made to enhance the concept of fully using the Armed Forces and conducting military training among them and to upgrade the standard of militia units and reserve forces as a whole in the course of launching practical struggle against serious criminals and serious economic crimes as well as in the course of tempering themselves.

Song Qingwei, in his speech, urged party committees at all levels and the people's Armed Forces departments to rouse themselves for vigorous efforts to make the province prosperous, to go all out and work hard, to do a good job in conducting the work of having the party manage the Armed Forces by doing their duties satisfactorily, and to be fully confident in pushing the construction of militia units and reserve forces across the province into a new stage.

PLA Leaders Inspect Militia Work in Tianjin

SK2606073991 Tianjin TIANJIN RIBAO
in Chinese 25 May 91 p 1

[Report by Wang Hong (3769 1347): "The Leading Comrades of the PLA Units, Including the General Staff Headquarters, Arrive in Tianjin To Inspect the Construction Work of National Defense Reserve Forces"]

[Text] At noon on 24 May, leading comrades from the People's Liberation Army [PLA] General Staff Headquarters, the national defense university, various military regions, and the military districts of various provinces, who are attending the assembly for training on the "militia work rules", arrived in Tianjin Municipality to inspect the work done by the municipality in building the reserve forces of national defense. Greeting and receiving the honored guests at the Changcheng hotel were the leading comrades of the municipal party, government, and Army organs, including Tan Shaowen, Liu Jinfeng, Zhang Lichang, Wu Zhen, Yang Huijie, Yang Zhihua, Chen Deyi, Lu Xuezheng, Li Yuan, Song Pingshun, Xiao Yuan, Wu Yongchang, Li Jianguo, and Fang Fengyou.

During the forum held in the afternoon that day, Liu Jinfeng, deputy secretary of the municipal party committee, briefed the honored guests on the major tasks fulfilled by the municipal party committee and the municipal people's government over the past few years

in enhancing the building of national defense reserve forces. During his briefing, he stated that since the Third Plenary Session of the 11th CPC Central Committee, the Tianjin Municipal CPC Committee and the municipal people's government had earnestly implemented the guidelines and principles of the CPC Central Committee, the State Council, and the Central Military Commission with regard to enhancing the building of national defense reserve forces; consciously placed the work in this regard on their important schedule; realistically strengthened their leadership over the work; enabled the building of national defense reserve forces to achieve very great development under the mutual efforts made by the PLA units and localities; continuously enhanced the work of building militia and reserve forces; and had enabled the broad masses of militiamen and the personnel of reserve forces to play an active role on various fronts in making the municipal economy flourish and stabilizing the municipality's situation, to play a shock role in building key projects and dealing with urgent, difficult, and dangerous problems, to play a backbone role in safeguarding social stability, and to play a bridge or linking role between the garrison district and the people's armed forces department in carrying out the "campaign" of supporting the Army and giving preferential treatment to servicemen's families as well as of supporting the government and cherishing the people. Thus, the broad masses of militiamen and the personnel of reserve forces have made important contributions to building up Tianjin and developing the municipality.

During the forum, Yang Zhihua, member of the municipal party standing committee and commander of the Tianjin garrison district, delivered a speech on describing the experience gained by the garrison district in successfully building militia units at grassroots levels in line with the "three implementations" of militia work. He stated in his speech that the ideology of our militia work can be summarized as follows: The needs of the state economic and national defense construction have been regarded as a guiding ideology; the building of militia units at the grassroots level has been regarded as an emphasis; and the "three implementation" of militia work and the "principle" of being ready to assemble at the first call and of being capable of fighting have been regarded as a standard. In building militia units at the grassroots level, we have grasped the work in the following six aspects: 1) We have upgraded our understanding of the work and clarified the characteristics of militia work in the new historic period. 2) We have grasped the work of recruiting and explored the mechanism of militia work in the new historic period. 3) We have grasped the work of building militia units at the grassroots level and laid a solid foundation of militia work in the new historic period. 4) We have grasped the work of formulating plans and vigorously popularized the "three implementations" of militia work. 5) We have grasped the work of establishing systems and formulated the regulations and rules of militia work in the new historic period. 6) We have grasped the work of enhancing the leadership. Through a good job done in

building militia units at the grassroots level, the garrison district has brought into better play the shock team role of militia units in economic construction, the propaganda team role of them in building the spiritual civilization, and the public security team role of them in safeguarding the social stability.

During their inspection tour, leading comrades from the PLA General Staff Headquarters, the National Defense University, various military regions, and from the military districts of various provinces viewed the videotape and photo exhibition on the achievements scored by the municipality in building militia units at the grassroots level.

Improvements Encouraged

SK2606074291 Tianjin TIANJIN RIBAO
in Chinese 27 May 91 p 1

[Report by Wang Hong (3769 1347): "Create More Good Experience for Building the Reserve Forces of National Defense"]

[Text] On 25 May, leading comrades from the PLA General Staff Headquarters, the National Defense University, various military regions, and the military districts of various provinces, who came to the municipality to inspect the construction of national defense reserve forces and were accompanied by Yang Zhihua, commander of the municipal garrison district, and Song Pingshun, vice mayor of the municipality, went to the Tianjin soda plant in Tanggu District and the shipyard in Xingang District to inspect the militia work at the grassroots level. They also went to the militia equipment storehouse of Heping District and viewed the district's militia drill. On 26 May, they also went to Jixian County to inspect the work done by the Chengzikou Village in Xiawoutou Township in building its militia company and the work done by the Jixian County People's Armed Forces Department which had won the title of national level advanced unit outstanding in regularizing its militia work.

During the forum held in Jixian County, He Qizong, deputy chief of general staff, pointed out that Tianjin Municipality under the leadership of its party committee, people's government, and its garrison district, had carried forward the fine tradition of the People's Army in its militia work and made active contributions to developing the municipal economy and maintaining social stability. He stressed that militiamen in the new historic period must play a shock-team role in economic construction, a propaganda-team role in building the spiritual civilization, and a public-security-team role in safeguarding the social stability. He encouraged the municipality to create more and better experience for building the reserve forces of national defense and of the entire army.

During their inspection tours, Lu Xuezheng, member of the municipal party standing committee, who had

accompanied these leading comrades during the inspection tours, stated that we should discover our shortcomings in front of our achievements, do a better job in building the reserve forces of national defense, and improve the work concerning the affairs of militiamen and reserve forces to a higher level.

During their inspection tours, Yang Zhihua, commander of the municipal garrison district, expressed that the inspection conducted by the higher authorities and the leading comrades of the PLA units will certainly play a promoting role in the municipal work of militiamen and reserve forces. The municipality's militia work is still uneven, still exists some problems, and still needs to be improved. Efforts should be made to further popularize the experience gained by the advanced militia units, and to do a good job in truly building the reserve forces of national defense in line with the "three implementation" of militia work and by regarding militia units a main element.

Article on Strategic Missile Unit's Achievements

HK2806102591 Beijing RENMIN RIBAO in Chinese
23 Jun 91 p 3

[By Zhang Jiajun (1728 1367 6511), Luo Tongsong (5012 0681 2646): "Strategic Missile Unit Boasts Countless Achievements in Scientific Research"]

[Text] The strategic missile unit of the People's Liberation Army's high technology branch has made countless achievements in scientific and technological [S&T] work during the Seventh Five-Year Plan period. During this time, the weaponry of the strategic missile unit was transformed from one single model to several models, while breakthroughs were also made in technological areas previously thought off limits. Some 2,400 S&T findings were reported during the past five years, with 518 of them receiving awards for S&T progress from the state and the army. At present, the entire strategic missile unit boasts a vast team of scientists and technicians with high technology personnel as the backbone, and is engaged in new project research in nearly a hundred specialized fields. The development of S&T has given a boost to the fighting ability of the strategic missile unit where the success rate for missile launches is 100 percent. The building of defense positions has also been on the rise over the last five years, with the completion rate for the installation of various types of weaponry at more than 90 percent and that for base facilities at 96 percent.

Naval Research Institute Contributes to Economy

HK2706011391 Beijing RENMIN RIBAO in Chinese
17 Jun 91 p 3

[Report by XINHUA reporter Zhuo Peirong (0587 1014 2837) and RENMIN RIBAO reporter Jiang Hanzhen (5592 3211 4631): "China Naval Vessels Research Institute Makes New Contributions to China's Economic Construction"]

[Text] In recent years, the China Naval Vessels Research Institute, which gained immortal merits in the modernization construction of the people's Navy, has bravely gone to the main battlefield of economic construction amid the historical trend in reform and opening up, continually making new contributions to serving the construction of national economy.

The China Naval Vessels Research Institute was organized in the early 1960's from a large scientific research organization. In the past 30 years, the research institute scored more than 3,000 results in scientific research, and received 1,400 awards from the state, provinces, and ministries; it has 120 results which reach international standard, and 1,400 results which take the lead in the country. Its satellite-tracking and south pole survey ships have received special state awards for scientific and technological progress. At present, the research institute has developed into an organization for comprehensive engineering and technological research, with 30,000 staff members, 17,000 scientific and technological personnel, and relatively strong strength and a complete set of equipment.

Since reform and opening up, the research institute has started to change from the pattern of purely conducting scientific research to that of doing business in scientific research, and from the pattern of self-isolation to the pattern of opening up. From 1984 to 1990, in a period of six years, the output value of the institute's civil products increased 10 times. In 1990, its civil products' output value surpassed 50 percent of its total output value.

In 1988, the research institute began to set up high- and new- technology industries. At present, 20 products from 19 of the institute's projects have been listed in the state-level torch plan. These projects are heading toward commercialization, industrialization, and internationalization; some of the projects have been built and are undergoing testing, and some have begun to provide commodities to society.

Commando Training Regime Described

OW2606131491 Beijing XINHUA in English
1119 GMT 26 Jun 91

[Text] Beijing, June 25 (XINHUA)—The first mobile force—China's commandoes—of the Chinese People's Liberation Army (PLA) can now successfully carry out land, air, sea and amphibious operations after their training has been built up over the past five years, according to one of their commanders.

Fan Xiaobing said that though China's mobile force was set up only a few years ago, the military unit has made remarkable achievements.

"The military forces under the leadership of the Communist Party of China have created various special organizations, including the railway guerillas and the armed working teams in the enemy-occupied areas during the War of Resistance Against Japanese Aggression (1937-1945). Yang Zirong's team in northeast China during the

War of Liberation (1946-49) and the reconnaissance squadron led by Yang Yucai during the Korean War in the early 1950s. Combining this glorious tradition with modern equipment and training, the mobile force is a competent unit for shock tactics," Fan said.

During a recent visit to the commandoes, the reporter accompanied by the commander watched an exercise: 12 soldiers in full battle array drove motorcycles, jeeps and trucks. At high speed, they could jump from one vehicle to another and swap drivers. Then they jumped aboard moving armored cars and tanks.

Afterwards, the 12 soldiers each used four kinds of pistols, four types of tommy guns, two models of machine guns, mortars and rocket launchers.

The commander said that the mobile unit has absorbed the experiences of both Chinese and foreign military forces and worked out the first training curriculum for China's commandoes.

According to the training program, all soldiers have to learn to use various types of weapons, including weapons used by enemy troops, and be skilled in demolition, unarmed combat, climbing, clearing mines, photography, parachuting, telecommunications, swimming and camouflage. In addition, the training program requires that they learn foreign languages, geology, meteorology, driving skills and particular skills for survival under hostile conditions.

The training is very tough, a commander said. In addition to the eight-hour normal training stint daily, the soldiers have to run 10 km in full kit each morning, practise unarmed combat for half an hour after lunch, and punch sand bags with their heads, elbows, knees, palms, fists and legs hundreds of times in the evening.

In order to toughen their heads, they bang them against sand bags at the beginning, then against trees and walls. After several months, their heads can resist attacks with glass bottles, bricks and sticks. For instance, Captain Liang Hongjian can use his head to break 12 beer bottles.

The commandoes have developed special vehicles, weapons, telecommunications apparatus, climbing gear and antichemical warfare equipment.

The force has also built its own special training facilities, such as a command center, training ground for reconnaissance, parachuting area, demolitions training area and office for research into foreign military systems.

Progress in Graduate Defense Education

OW2606123391 Beijing XINHUA Domestic Service in Chinese 2008 GMT 25 Jun 91

[By Yi Yao (2496 2641)]

[Text] Beijing, 26 Jun (XINHUA)—The Center for Continuing Education in Engineering under the National Defense Science, Technology, and Industry Commission

[NDSTIC]—one of the earliest educational institutions established in China—is currently in the process of returning its 60th group of students to the forefront of science and technology for national defense. The center has trained over 2,300 scientific, technical, and managerial cadres in high and new technological theories.

Continuing education in engineering, commonly known as post-college education, is designed to help scientific and technical personnel on the job adapt to the needs of social production and rapid development in science and technology through reeducation, supplementary education, and improvement and expansion of knowledge. It is the continuation and extension of higher education and an advanced, higher educational program. Continuing education originated in the 1940's and drew widespread attention throughout the world in the 1960's. To accept the challenges of the new technological revolution, the NDSTIC established the military's only center for continuing education in engineering in April of 1986, when continuing education was still in the embryonic stage in China.

Continuing engineering education in defense-related science and technology caters to the needs of national defense modernization and focuses on advanced training in new technology in order to improve experimental standards in defense-related scientific research and to promote technical progress. New fields of knowledge and technologies, such as telemetry, automated control, and carrier rocket testing and launching systems accounted for 70 percent of the instruction offered by training classes during the 60th school term. Long-term training was merged with short-term instruction to provide quality and effective lessons.

Most of the more than 2,300 students who underwent training at the center had college degrees or higher academic credentials; they were scientific and technical cadres at the production front line. Seventy percent of the students graduating from the just-concluded classes of defense-related science and high technology had senior job titles and were backbone cadres with sound basic knowledge and ample practical experience.

The center hired over 400 teaching personnel to provide instruction in the past five years. They included professors and experts from 80 institutions of higher learning, such as Qinghua University, and science research institutes. There were also foreign faculty members. Excellent results were achieved in offering such instruction.

Film 'Great Decisive Battles' Appraised Highly

OW2306051191 Beijing XINHUA Domestic Service in Chinese 0202 GMT 22 Jun 91

[By Xu Jingyue (1776 0097 6460) and Jiang Hong (5593 3163)]

[Text] Beijing, 22 Jun (XINHUA)—On the eve of the 70th anniversary of the founding of the Communist Party of China [CPC], the preview of an historical film

on China's revolutionary wars entitled "Great Decisive Battles" [Da Juezhuan (1129 0414 2067)] was held in Beijing. It was warmly admired and highly appraised by people of all circles. It is believed that it has achieved a new breakthrough in such aspects as theme, scale, style, and in the portrait of historical figures.

People from film circles held that this film, which is composed of three parts in a series of six installments [as published] and lasts for more than 10 hours, can be called China's first great film with the military as subject matter; for it is gigantic in content and length, ample in connotation, grand in scale, and majestic in atmosphere. Its publication marks the efforts of China's film industry in striding into the world of great films with a military theme.

Producing Director Xiao Mu told people of all circles who were interested in the film that his team tried to reproduce the most glorious parts of the history of Chinese revolutions by presenting on the screen, the panoramic scenes of "besieging Changchun, capturing Jingzhou, battling in Liaoxi, and conquering Shenyang"—scenes of the three major campaigns which decided the destiny of the Chinese nation. The film shows the excellent commanding skills of Mao Zedong and other proletarian revolutionaries of the older generation, sitting in a command tent and devising strategies that would assure victory a thousand li away; and, the glorious deeds scored by the CPC in founding New China by leading the Army and the people of the country in bloody battles where one person stepped into the breach as another fell. In order to shoot this film, more than 300 professional actors were hired and temporary actors were mobilized to work for more than 3 million person-times. Outdoor scenes were filmed in 300 places in 14 provinces, municipalities, and autonomous regions including Beijing, Tianjin, Liaoning, Jiangsu, Shandong, and Henan. In the film, there are more than 10 battle scenes in which more than 100,000 actors participate, which is rare in the history of China's film industry.

Unlike many other war movies of the past, this film does not limit itself only to reflecting military action. It focuses on the activities of the two headquarters headed by Mao Zedong and Chiang Kai-shek. It shows great decisive battles of strategic importance, which involved politics, the economy, culture, and popular support, thus giving expression to the spirit of this film. In order to do their job well, the screenwriters have consulted historical data filled with about 70 million Chinese characters and paid visits to many participants of the three major campaigns. Yang Shangkun, then general secretary of the Central Military Commission, received the film workers three times, during which he told them the inside story of Mao Zedong, Zhou Enlai, Zhu De, and others, when making plans in Xibopo for the battles. The filmmakers also invited members of the Chinese People's Political Consultative Conference [CPPCC] such as Hou Jingru, Zheng Dongguo, Huang Wei, and others, then high-ranking Kuomintang [KMT] generals, to review the scenario to make sure that the portrait of KMT generals would not be simplified and stereotyped. The characters

of Wei Lihuang, Zheng Dongguo, Tu Yuming, Liao Yaoxiang, and others in the film had a fairly good commanding ability and educational background. The film reveals the inevitability of historical development: The basic causes for the final debacle of the KMT in military action were political corruption, economic crisis, rebellion by the masses, and desertion by its followers. After viewing the film, Huang Wei and others said that the film is generally faithful to history.

Fairly successful experience in portraying particular historical figures has been gained while producing the film. The viewers held that the film objectively portrays the indecisiveness on the part of Lin Biao in dispatching troops southward to the Beining front line during the early period of the Liaoshen battles. It also portrays his decisive attitude and excellent commanding skills, after changing his own resolution, in carrying out Mao Zedong's strategic policy. In order to be artistically and historically faithful to the character of Lin Biao that he was playing, actor Ma Shaoxin paid visits to relevant personnel who had worked with or served under Lin Biao.

It is a common aspiration of the whole party, the whole Army, and the people of the country to present the three major campaigns in the film. Directors Li Jun and Yang Kuangyuan said that the film has earned cordial concern from the CPC Central Committee, the State Council, and the Central Military Commission, as well as support from relevant troops units in localities. This a good film which will be enjoyed by millions upon millions of people.

Economic & Agricultural

Li Peng Urges 'Triangular Debt' Solution

OW2006123691 Beijing XINHUA in English
1209 GMT 20 Jun 91

[Text] Hefei, June 20 (XINHUA)—Li Peng, premier of the State Council, has urged extra efforts to solve the problem of "triangular debts" or debt defaults among enterprises within the next six months.

During his recent inspection tour of east China's Anhui Province, Li said that, first of all, efforts should be made to restructure the country's industries and the products of enterprises so as to make the products match demand in the market.

Second, he pointed out, it is imperative to pay more attention to sales promotion.

Third, he said, it is necessary to check and clear up the triangular debts among enterprises so as to allow the enterprises to raise their economic efficiency. Those enterprises which are behind in payments should be forced to pay fines.

Fourth, the scale of capital construction should be controlled and the funds for capital construction should be allocated in time.

Fifth, those enterprises whose products have been kept too long in stock should be forced to stop production or to shift their production to new products.

Wang Bingqian on Repaying National Bonds

OW1906212691 Beijing XINHUA Domestic Service
in Chinese 1115 GMT 19 Jun 91

[By reporter Ding Jianming (0002 1017 6900)]

[Text] Beijing, 19 Jun (XINHUA)—At the ninth session of the Central Committee for Promoting Sales of Treasury Bonds held in Beijing today, State Councillor Wang Bingqian said: Gathering national development funds by means of national bonds will be a long-term policy and important work.

Wang Bingqian said: National bonds have played a very important role in supplementing the inadequacy of national financial funds and supporting the state's major construction. He pointed out: Following the further deepening of China's reform and opening up and the "multiple budgets" established by the state's financial departments, we should further combine issuing national bonds with economic development and using funds with compensation. Meanwhile, it is necessary to continually establish and perfect markets for national bonds, improve issuing formats, and maintain a suitable scope of the debts. In addition, we should establish a repaying fund to ensure repayment of debts.

The ninth session of the Central Committee for Promoting Sales of Treasury Bonds urged that local governments at various levels should give sufficient attention and support to this year's work on national bonds. Financial, banking, and postal departments should closely coordinate, actively explore various methods of issuing national bonds, develop a first-grade market for national bonds, and smooth the marketing mechanisms for national bonds. Various related departments should continually broaden the promotion, transmission, and popularization of the policy and general knowledge of national bonds to increase the masses' awareness in finance and in investing national bonds. As a result, a good social environment can be created for issuing national bonds.

The meeting also urged that various localities should, in accordance with their local conditions, appropriately establish such organizations and institutions as national bonds service departments and security or stock companies where the masses may conveniently exchange or trade their national bonds. It is necessary to strengthen administration of the marketing order, and firmly crack down on and ban illegal transactions.

The meeting specifically stressed: Work on cashing of national bonds for this year will begin shortly. Because there are many types of bonds involving large amounts of money that are due to be cashed this year, financial, banking, and postal departments at various levels should take several measures for the convenience of the people;

establish a sufficient cashing network to ensure the bonds are cashed promptly; perform well in the cashing work for the masses' convenience; and safeguard the reputation of national bonds.

Chen Jinhua Seeks Deepening Economic Reform

HK2606151191 Beijing RENMIN RIBAO in Chinese
14 Jun 91 p 5

["Academic Trends" article by Yan Feng (7051 6912), Hong Qi (3163 3823): "Continue To Deepen Reform, Promote Economic Development—Sidelights on 1990 Annual Meeting of China Society for Research on Restructuring Economy"]

[Text] The 1990 annual meeting of the China Society for Research on Restructuring Economy, which was attended by some 100 people including representatives from societies for research on restructuring economy and theoretical and practical workers from all parts of the country, recently concluded in Shandong's Taian. The meeting participants had lively discussions on such issues as the current economic and reform situation and how to invigorate enterprises, large and medium-sized state-owned enterprises in particular. Chen Jinhua, minister of State Commission for Restructuring Economy, addressed the meeting.

1. On the current economic and reform situation and our tasks. Meeting participants unanimously agreed: Through several years of efforts, we have effectively put inflation under control, effected a rebound in industrial production, reaped successive agricultural bumper harvests, and brought about an overall recovery in the national economy. All these have helped create a sound economic environment for deepening reform. This being the case, some participants suggested that we seize the opportune time and expedite the pace of reform. Others maintained: Although the current economic situation is relatively fine, we should also notice that there are still some factors restricting the economic operation, have a sober understanding of the situation, and keep in mind the economic situation as a whole while working out reform measures. First, attention should be paid to the relationship between reform and stability and consideration should be given to the enterprises' capability to withstand strains. Economic stability has not come easily. Second, while strengthening reform, it is necessary to guard against the mistake of being overanxious for quick results. Moreover, it is also necessary to take the relationship between single-item and overall reform into account.

2. On the question of how to invigorate enterprises, large and medium-sized state-owned enterprises in particular. Meeting participants unanimously agreed: Invigorating enterprises, large and medium-sized enterprises in particular, is the key link of the current economic restructuring. Some participants held: Although the current political and economic situation is stable, some problems in the economy, such as difficulties facing large and medium-sized enterprises, local financial difficulties, and difficulties in selling goods on the market, should be adequately estimated. This will better help remove the difficulties. To overcome the difficulties, it is necessary to use reform methods and expedite the pace of reform. This calls

for the concerted efforts of the central and local authorities and the enterprises. Other participants contended: When it comes to enterprise reform, we should seek progress through stable endeavors and give enterprises time to recuperate, because they are the carriers [zai ti 6528 7555] of various reforms. While making reform, it is necessary to suit measures to local conditions and the enterprises' capability to withstand strains. In some fields of endeavor, reform can be introduced a bit quickly and in the other fields, it can be carried out a little slowly.

All participants agreed: In invigorating large and medium-sized state-owned enterprises, attention should be paid to handling the following issues well:

1. Efforts should be made to create a sound external environment for the enterprises, streamline government administrative organs, further screen state assets, and create conditions for the enterprises to carry out technological transformation and develop themselves. It is necessary to further implement the "Enterprise Law," improve enterprise mechanisms, let the enterprises really enjoy decisionmaking power within the limits prescribed by the "Enterprise Law, to separate the functions of the government from those of the enterprises, and enable them assume sole responsibility for their profits and losses.

2. The enterprises should strengthen the building of internal mechanisms, establish an operational mechanism commensurate with the combination of planned economy and regulation by market mechanisms, and boost their capability to adapt themselves to market changes.

3. Efforts should be made to accelerate the reform of the housing system and establish and perfect a social security system. It is necessary to reform the existing enterprise wage, labor, and medical and health systems and probe a mechanism to employ society's labor force in accordance with the principle of selecting the superior and eliminating the inferior and allocate the nation's labor power rationally. Moreover, it is still necessary to further perfect the market, rationalize prices, and boost the capital turnover rate.

Book on Chen Yun's Role in Economic Construction

OW2506103891 Beijing XINHUA Domestic Service
in Chinese 2052 GMT 24 Jun 91

[Text] Beijing, 25 Jun (XINHUA)—*Chen Yun and New China's Economic Construction*, compiled by an editorial group in charge of the book's compilation and published by the Central Party Literature Publishing House in commemoration of the 70th anniversary of the founding of the CPC, was distributed nationwide by Xinhua Bookstore today. Li Xiannian, chairman of the national committee of the Chinese People's Political Consultative Conference, wrote the name of the book.

The book contains over 40 memoirs and theses. Most of the authors were leading cadres in charge of economic work under Comrade Chen Yun's direct leadership in

the early years of the nation's founding. In their articles, they truthfully present the circumstances of their times and describe Comrade Chen Yun's tremendous contributions to New China's economic construction from both theoretical and practical perspectives. They explain that he is a prominent economic leader of our party, one of the founders of New China's economic management methods, a paragon of application of the party's ideological principle of seeking truth from facts to economic guidance, and one of the pioneers of economic reform thinking. Comrade Chen Yun has always upheld linking Marxism with China's national conditions and practice in economic construction, and consistently advocated shifting, without delay, the focus of the party's work to economic construction after the proletariat seized political power. He also advocated compatibility between the scale of construction and national strength, determination of the scale of construction in accordance with the people's livelihood, overall equilibrium in national economic planning, proportionate economic development, expansion of the market's regulatory role and stimulation of the economy under the guidance of planning, and other measures. This led to the gradual formation in practice of a fairly systematic guiding ideology with Chinese characteristics for economic work. The book contains rather in-depth discussions of these issues.

Publication of *Chen Yun and New China's Economic Construction* will help us to review the tortuous road New China took in economic construction over approximately the past 40 years, to draw on lessons from the past, and to understand and study Comrade Chen Yun's stand, viewpoints, and methods for resolving economic problems. All this has significant implications for implementing the party Central Committee's general principle of seeking sustained, stable, and coordinate development in the national economy, and for comprehensively implementing the "Eighth Five-Year Plan" and the 10-Year Program.

Reform-Linked Market Changes Examined

OW2806004291 Beijing BEIJING REVIEW
in English No. 25, 24-30 June 91 pp 12-16

["Economic Change Creates New Markets"—by Zhao Xiaojian]

[Text] Since 1978, China's effort to restructure its economy has successfully transformed the traditional central planning system into one of the planned commodity economy which uses market principles as key operating measures. This introduction of market principles led to some changes in the macro and micro-economic regulatory systems:

—As ownership has been restructured, both enterprises and individuals have cultivated an awareness of their capacity to participate in market activities on their own. In the past, enterprises and individuals were plagued by the monotonous pattern of public ownership and lacked a sense of economic participation.

Since 1978, however, great changes have taken place in the ownership structure. First, sole public ownership has been replaced by state-owned, collective, private and foreign-funded economic sectors. Second, the separation of ownership rights from managerial rights within the public sector has made enterprises independent in management and responsible for their own profits and losses. Such changes have been a powerful market stimulus for enterprises.

—Prices have been readjusted to better mirror the value of commodities and the relations between supply and demand. State-set prices, floating prices and free prices coexist. The proportion of state-set commodity prices has been decreased and the proportion of commodities whose prices are subject to market regulation has been increased in order to narrow the gap between the two pricing systems for the same commodity. The ultimate goal is to have a single pricing system and, under the guidance of planning, to let prices float with the market. As required by the law of value, prices for farm produce, energy, raw and semi-finished materials and other basic industrial products have been increased in order to achieve price parity.

—The scope of market has been gradually widened and various market systems promoted. In terms of market forms, not only have the original wholesale and retail markets been developed, but auction and leasing markets have also been established. In terms of market variety, apart from the original consumer goods market, a capital goods market, monetary market, real estate market and foreign exchange market have also seen rapid development. A new market network centred around large and medium-sized cities and featuring the free flow of commodities has been initially shaped.

—With their regulatory functions strengthened, markets are playing an ever more important role in the national economy. Price changes are exerting an increasing influence on commodity supply and demand, labour and funds. In the past, enterprises depended heavily on the government but today they must keep a close eye on market trends. In the field of macro-economic regulations, the state no longer exercises quantitative management of the economy through direct planning as it did in the past. Instead, it exercises indirect macro-management through the use of market mechanisms in accordance with the law of value. The state guides enterprises in its macro-economic development programme by changing such parameters as tax, interest and exchange rates.

Various markets have developed in China.

1. Commodity Market

Commodity markets are the foundation of the market system. After more than ten years of economic reform, China's commodity markets have become quite active and a complete commodity market system has initially taken shape.

—The consumer goods market. As a result of the introduction of various forms of ownership and management and channels for the circulation of commodities, the scope of commodities subject to market forces has been widened. New commercial forms such as trade centres, trade shops, wholesale markets, farm produce trade fairs, co-operative stores as well as agriculture-industry-commerce enterprises have emerged. This has resulted in booming urban and rural markets. Nationwide, the number of commercial outlets increased from 1.048 million in 1978 to 8.6 million in 1990 and the number of trade fairs increased from 40,809 in 1980 to 73,857 in 1990. The total value of transactions conducted at trade fairs throughout the country came to 224.5 billion yuan in 1990, about 27.2 percent of total retail sales nationwide.

—The capital goods market. A variety of capital goods markets emerged. Many capital goods can be traded in the market whether or not they are produced according to state plan, thus greatly strengthening the role of market mechanisms. Capital goods markets for metals, machinery, electric equipment, timber, building materials, chemicals, light industrial materials and automobiles have been established throughout the country.

2. Monetary market

In order to make better use of funds and meet the needs of a developing monetary market, China has conducted a series of reforms of its financial system. As of September 1983, the People's Bank of China, acting as the exclusive financial agent of the state's financial agent of the state's financial affairs, stopped providing loans and handling deposits for enterprises and individuals. To provide such services, four specialized banks—the Industrial and Commercial Bank, the Agricultural Bank, the Bank of Construction, the Bank of China—and an investment bank with the special task of overseeing loans from the World Bank either resumed operation or were newly established. In July 1986, the Bank of Communications resumed its domestic banking businesses as China's first joint-stock financial institution. Later, an international trust and investment corporation, local trust and investment companies, leasing companies and financial companies were established. In addition, such financial organizations as urban and rural credit co-operatives were also developed.

The reform of the financial system gave birth to vibrant financial markets which have already grown quite large in operation. Financial markets play a positive role in promoting economic development through their lending and borrowing activities.

—The stock markets. When the Shenyang Trust and Investment Corp. took the lead in handling stock exchange businesses in early August 1986, it marked the birth of the stock market in China. Following quickly on its heels were Shanghai, Xian, Taiyuan, Chongqing, Wuhan, Xiamen, Shenzhen, Guangzhou and Fuzhou. In December 1990, China's first Stock

Exchange was established in Shanghai and, just recently, the Shenzhen Stock Exchange was established. By the end of 1990, China already had 46 securities companies overseeing more than 700 affiliates and 30,000 employees and floating 200 billion yuan in various securities. Listed securities have been growing annually by more than 60 percent; transactions reached 13.6 billion yuan in 1990 or six times that of 1989. Listed securities include treasury bonds, financial bonds and enterprises' stocks. As China continues with its economic restructuring and opening up, the securities markets are certain to thrive.

—The debt market. Currently, the debt market in China refers to lending and borrowing between banks, a market which, in recent years, has been in a state of flux. The volume of lending and borrowing totalled 30 billion yuan in 1986, some 230 billion yuan in 1987 and 520 billion yuan in 1988, but down to 290 billion yuan in 1989 and decreasing to 260 billion yuan in 1990. Such fluctuations have much to do with China's unstable financial policies. Despite this, there is a lot of room for development of China's debt market in the future.

—Insurance. In 1979, China decided to establish an economic compensation system by resuming the issuance of domestic insurance. Recent years have seen a rapid development of the People's Insurance Corp. of China in its domestic business. By 1990, premiums totalled 17.78 billion yuan and claims 8.11 billion yuan.

—Foreign exchange co-ordination markets. The Shenzhen Special Economic Zone was the first to establish a foreign exchange co-ordination centre in 1985. It was then followed by every province, autonomous region and municipality, every city with independent planning power and other special economic zones. When a national foreign exchange co-ordination centre was established in Beijing foreign exchange prices were allowed to fluctuate with the supply and demand. A national foreign exchange market network has thus been initially established. In 1990, the value of all transactions nationwide came to US\$13.164 billion, up 53.68 percent from 1989.

3. Labour Market

China's labour force is made up of ordinary workers and farmers as well as a more educated and trained body or personnel. Corresponding with these two groups are two administrative systems: a labour system and a personnel system, the first in charge of workers and farmers and the second of office staff.

—Reform of the labour system and establishment of labour market. Since the reform of the labour system began in 1986, the State Council has established a series of rules on employment in enterprises. The rules stipulate that the employment system should be in line with public needs and open to all and that employees should be selected according to enterprise requirements. Additionally, new workers should be hired

under contract and the old practice of the "iron rice bowl" (life-long employment) eliminated, employers granted the right to fire employees for serious breach of discipline and an unemployment and pension insurance established.

During the course of labour reform, the new system of labour markets has promoted a reasonable flow of labour and provided more opportunities for both employers and employees to select each other. By 1990, more than 8,000 labour markets were established throughout the country. These markets have played a major role in job assignments, transfers, provision of unemployment insurances and locating jobs for rural labourers.

—Reform of the personnel system and the founding of the personnel exchange centres. As part of the reform of its labour system, China has also restructured its personnel system. As the use of contracts has widened, the competitive bidding system introduced among enterprises has resulted in the nurturing of a large number of talented managerial personnel. For example, town and township government civil servants will be hired under contract and personnel will be transferred administratively or through personnel exchange centres. To this end, various levels of personnel departments established personnel exchange organizations. China presently has more than 1,000 personnel exchange centres charged with the task to match people and jobs. They thus play a significant role in promoting the reasonable flow of labour.

4. Real Estate Market

One key factor in the reform of the land-use system is to allow the use of state land for compensation during a specified period of time. Initially, land-use rights could not be transferred, leased or mortgaged in the market in order to protect land resources and increase overall economic benefits to the state. To deepen land-use reform, however, special economic zones and coastal open cities began in the second half of 1987 to allow the transfer or lease of land-use rights so long as the principle of separating ownership of land from the right to use is maintained. On May 19, 1990, the State Council promulgated "Provisions on Lease and Transfer of State Land-Use Rights in Cities and Towns." According to the provisions, investors have the right to lease land and to transfer, lease and mortgage such right. These reforms are now applied nationwide. In the special economic zones and coastal open cities, many foreign businessmen have acquired the right to develop tracts of land.

Real estate business has thus been brisk and various kinds of real estate transaction centres have been established in most large cities. Housing trusts, mortgage, labour services, consulting services, housing exchanges, repair and decoration are all part of the real estate market. Incomplete statistics indicate that the volume of real estate transactions reached 5 billion yuan in 1989, a level maintained during 1990.

One development which merits attention is the commercialization of housing. Many cities have introduced such

practices as sale of commodity houses, renting, increased rent for extra floor space and security deposits. Reform of the housing system, for example, has already begun in Beijing, Shanghai and in other pilot locations such as Yantai in Shandong Province, Bengbu in Anhui Province and Tangshan in Hebei Province. Housing is thus included as part of the local planned commodity economy. In 1989 a total of 10 billion yuan worth of new residential houses were sold to individuals, a figure which remained the same throughout 1990.

The real estate market has grown in China and is certain to develop rapidly in coming years.

5. Technology Market

Since the Chinese government decided to restructure its scientific and technological system and develop a technology market in 1985, the market has developed rapidly and become a key component of the country's market system. This has promoted the application of scientific and technological achievements, thus combining science and technology with economic construction. Progress has been made in the following fields:

- The volume of technology trade has increased annually. The figure reached 50 million yuan in 1983, up to 2.06 billion yuan in 1986 and further up to 7.51 billion yuan in 1990.
- The marketing network has been expanded. As technology trade has developed, various places and departments have set up technological development organizations and formed a multitier and multi-channelled technology market network. The network encompasses county-level areas and, in 1990, there were 20,700 technology/trade institutes.
- There has been a well-regulated administration of the technology market with various locations setting up administrative and regulatory departments. These departments have helped to normalize market administration.
- The technical level has continued to improve. In the technology market's initial stage of development, the main buyers of technology commodities were small and medium-sized enterprises because the market could not meet the needs of large enterprises. Today, however, the market can meet the material and technological needs of both large and medium-sized enterprises.

6. Information Market

An information market has also begun to grow in China. Information, as a commodity, will play an increasingly important role in the development of the commodity, financial, labour, real estate and technology markets.

Already, China has a nationwide information service network. At the top level, there is the State Economic Information Centre; at the city level and within various ministries and commissions, there are economic information centres and information service organizations;

and at the county-level, there are information service departments. Additionally, many information consulting service companies have been set up to provide macro-economic information for governmental and enterprise decision-makers and collect micro-economic information for enterprises.

In general, China's great progress in its reform effort has gradually strengthened the market system. During the Eighth Five-Year Plan period (1991-95), China will continue to develop the consumer goods market and expand the capital goods market. It will also deepen reform of the commercial and the supply systems in order to set up an effective commodity circulation system under the state's guidance and administration. Efforts will be made to develop various kinds of wholesale markets and trade forms, especially transregional comprehensive or specialized enterprise groups which engage in marketing and goods circulation. At the same time, monetary, technology, information, real estate and labour markets should all be developed to keep pace with the development of the commodity markets. All barriers and regional blockade and compartmentalization should be eliminated in order to promote a nationally unified market. No doubt, the continued development and improvement of a variety of markets and of an overall market system will be the trend of China's future economic development.

Paper Urges 'Bold Reform' for State Enterprises

HK2806052091 Beijing CHINA DAILY in English
28 Jun 91 p 1

[By staff reporter Li Hong]

[Text] The revitalization of state-owned enterprises, a household topic in China, needs bold reform measures from both the administration and the firms themselves, the country's top economic restructuring official said yesterday.

At present, an alarming 39.5 percent of state enterprises have run into trouble, Chen Jinghua, Minister in charge of the State Commission of Economic Restructuring, told the Standing Committee meeting of the Chinese People's Political Consultative Conference (CPPCC) in Beijing.

Central government's decision to increase investment in capital construction and technological renovation and to loosen loan controls has increased State firms' output by 10.9 percent for the first five months, but failed to stop their economic efficiency from plummeting.

Chen, at the CPPCC assembly, urged the government to give managerial autonomy back to State-owned enterprises, and the public to refrain from asking the enterprises for contributions to various fund-raising projects so as to nurture the best possible environment guided by the market place.

First of all, reform of China's irrational price system would have to be intensified, Chen said. All the oil, coal and gas enterprises in the country, which have been

running in the red for quite a few years, will be bailed out if their state-set prices were no longer lower than their production costs.

He said, the government must earmark a heavy budget to the country's five old industrial bases in Shenyang, Shanghai, Harbin, Tianjin and Chongqing, many of which have worn out their production machinery and technology.

Chen also asked government agencies at all levels for their co-operation in cutting the excessive taxes and levies on the enterprises.

Last year, China's administrative budget soared to 30.7 billion yuan (\$5.9 billion) in order to cater to a swollen number of government staff.

Now an investigation has found that state-owned enterprises were forced to hand over as many as 61 types of tax and fees to the government through various channels in 1990, as compared with only two types of tax in 1978.

As a result, the firms' after-tax profits decreased by 40.9 percent last year compared with the previous year. And during the first five months this year it declined another 21.3 percent over the same period in 1990.

On the country's huge industrial stockpiles, another factor hindering efficiency, Chen urged state firms to readjust their products to meet market demand.

Symposium on State Property Management Reform

OW2306000491 Beijing XINHUA Domestic Service
in Chinese 0848 GMT 21 Jun 91

[By reporter Cai Guoyan (5591 0948 3533)]

[Text] Xiamen, 21 Jun (XINHUA)—Speaking at an international symposium on the management of state property rights in Xiamen yesterday, Luo Yuanming, deputy director of the National Administration of State Property [NASP], said: Reform of our nation's state property management system in the 1990's will be carried out according to the concept of progressively establishing an ownership-based management system and of adopting management methods that are suitable for the commodity economy.

Luo Yuanming said: Under reforms of the state property management system, the state will step up exclusive management of property ownership, gradually set up property rights management systems at all levels from the central authorities to local governments, and exercise its functions as state property owner. Based on the principle of proper segregation of ownership and management, state property management organizations under the central and local governments will authorize or entrust, in various ways, intermediary property rights management organizations and enterprises to manage property. In accordance with the way property rights are vested, management organizations will send property rights representatives to enterprises to form a mechanism that will clearly demarcate the duties of owners,

managers, and laborers, and balance rights against obligations. Corporate transformation will be progressively carried out in numerous state enterprises, and cross shareholding in state property will be practiced extensively. The central government will mainly invest or hold a controlling interest in important enterprises that are vital to the country's economic lifeline. Local governments can hold controlling shares in other enterprises. Income accrued on property rights will be distributed in proportion to shareholdings and incorporated into central and local budgets for construction purposes.

Methods to be adopted in state property management are primarily designed to progressively separate the commercial objectives of enterprises from their social objectives. Most state enterprises must take measures to vigorously raise their operational efficiency and strive for more profits. Enterprises will shoulder limited responsibility for using property belonging to legal persons. They will be allowed to engage in production activities independently, made responsible for their own profits and losses, and encouraged to develop themselves. They will shoulder economic responsibilities toward their owners for the constant improvement of property returns and the expansion of accumulated capital. State property management organizations will supervise, examine, appraise, commend, and penalize enterprises regarding their operational results, particularly concerning the ratios they achieve between capital and profits. State enterprises must compete with enterprises from other economic sectors on an equal footing in the market, so that the fittest will survive.

According to incomplete statistics, the total value of our nation's state property (excluding property in the form of resources) is over 1.7 trillion yuan. State enterprises deliver over 300 billion yuan in profits and taxes annually to the country and are the central force in national economic modernization. The NASP was officially established in 1989. At present, 44 provinces, autonomous regions, municipalities, and cities with provincial-level economic decisionmaking authority, as well as some of the prefectures (cities) and counties (districts) under their administration, have established state property management organizations.

The symposium was organized by the NASP. Well-known economists from the United States and Britain were invited to attend it. Their topics of discussion included property rights theory and management.

Hebei Viewed as Ecological Agriculture Model

OW2406014491 Beijing Central People's Radio
Network in Mandarin 0930 GMT 23 Jun 91

[From the "National Hookup" program]

[Text] The Ministry of Agriculture recently held a national ecological agriculture development meeting in Qianan

County, Hebei, to sum up and disseminate this county's experience of following the natural economic law, giving consideration to both economic results and ecological and social benefits, and exploring ecological agriculture.

In developing ecological agriculture, Qianan County has mainly adopted the following measures: interplanting trees and grain crops on barren hills and waste hillsides, developing forestry-orchard-mulberry and orchard-mulberry-grain three-dimensional planting in steep sloping fields, improving farmland in flat land in a comprehensive way, and engaging in diversified economy on the plains. The county has combined its advanced technology with means of production and natural resources in a scientific manner

and united the development and protection of resources with ecological improvement.

Today, Qianan County's ecological agriculture development has begun to take shape. The county has developed three-dimensional planting in agriculture, interplanted mixed crops and built 150,000 mu of high-yield farmland. In forestry, the county has built five 100-km-long biological shelterbelts and completed the [word indistinct] project with more than 10,000 km of contour plowing on barren hills and waste hillsides. The county's percentage of forest cover has increased by 100 percent over 1984. The county's total agricultural output value has exceeded 800 million yuan, and 39 of its villages have shaken off poverty.

Central-South Region

Guangdong Executes Eight for Drugs, Firearms

HK2806094991 *Guangzhou Guangdong People's Radio Network in Mandarin* 0400 GMT 27 Jun 91

[Text] This morning, Guangzhou City Intermediate People's Court, Liwan District People's Court, Yuexiu District People's Court, and Huangpu District People's Court jointly held a public sentence pronouncement rally in the Zhongshan Memorial Hall to pronounce, and carry out in accordance with the law, death sentences on (Gan Youcheng) and seven other criminals, who had committed such serious crimes as robbery, abducting and selling women, selling drugs, guns, and ammunition. The eight criminals were taken to the execution ground and shot.

(Ma Mulu), an individual operator from the Dongxiang Autonomous County of Gansu Province, sold drugs in Guangzhou in October 1988. On 11 October, 1988, when (Ma Mulu) and another criminal were carrying and selling 8,250 grams of No. 4 heroin in Sanyuanli, they were arrested by the public security organ. Guangzhou City Intermediate People's Court sentenced (Ma Mulu) to death on a charge of selling drugs.

Today's sentence pronouncement rally also proclaimed first-trial sentences on (Zhang Guiying) and 19 other defendants, who had committed such crimes as selling drugs, procuring women from other areas for prostitution, and hooliganism. They were sentenced to death, death with a reprieve, life imprisonment, or imprisonment respectively.

Guangzhou Develops High Technology Industry

OW 2706172091 *Beijing XINHUA in English* 1346 GMT 27 Jun 91

[Text] Guangzhou, June 27 (XINHUA)—Guangzhou, capital of south China's Guangdong Province, has established a high-technology district to develop advanced technology by attracting foreign investment.

Now, six Sino-foreign joint ventures with a total overseas investment of 3.6 million U.S. dollars have been approved for the Tianhe High-Technology Industry Development District in the eastern suburbs of Guangzhou City.

In the 48-sq-km district, there are 11 colleges, universities, and scientific research institutions, and 23 enterprises. The enterprises here produce a number of advanced products, including electronic, laser, fine material, new energy resource, environmental protection, fine chemical industrial, new medical and biological engineering products.

Apart from undertaking 13 state, provincial, and city programs, these enterprises and institutions have also developed their own products.

According to the Guangzhou Science and Technology Commission, the State Council has approved regulations aimed at boosting high-technology industries. These regulations include 12 favourable policies concerning taxation, imports and exports, and capital loans.

To quicken its development, the district plans to accomplish several tasks this year. They include developing an industrial area covering 276,000 sq m and building a high-technology service center of 5,000 sq m.

Liu Jianfeng Addresses Hainan Labor Conference

HK2806092191 *Haikou Hainan People's Radio Network in Mandarin* 2300 GMT 26 Jun 91

[Text] The three-day Hainan Provincial Labor Employment Work Conference concluded in Haikou's Yanqiong Building yesterday afternoon. The conference decided that our province's present labor and employment work should focus on stepping up macroscopic regulation and control of social labor, strengthening labor resource management, improving labor quality, and creating more employment opportunities. Provincial Governor Liu Jianfeng attended and delivered an important speech at the conference.

Liu pointed out: We must closely combine deepening reform and expanding opening up to the outside world with creating more employment opportunities. He said: Successfully carrying out labor employment work is an important prerequisite for maintaining social and economic stability in our province. The key to creating more employment opportunities lies in economic development. Therefore, we must formulate industrial policies conformable to the realities in Hainan, create more work posts through various channels, levels, and forms. Furthermore, we must further deepen labor management structural reform, actively foster and develop labor markets in both urban and rural areas of our province, make overall labor employment arrangements for both urban and rural areas, and smooth out all channels to ensure a rational flow of labor between urban and rural areas.

Provincial Vice Governor Xin Yejiang presided over yesterday afternoon's meeting. The participants in the conference discussed and revised four laws and bills intended to improve labor employment work as well as the Hainan Provincial Labor Employment Work Plan for the Eighth Five-Year Plan, according to which, this year and next, labor employment work should focus on setting up employment agencies across the province, establishing township and town labor service centers, providing employment information, and creating conditions for enterprises to employ qualified people, for coordinating surplus labor, and for seeking employment through competition with a view to gradually transforming administrative settlement of labor employment to labor employment through market competition. Moreover, we must actively and steadily institute a province-wide employment-oriented examination system for all the unemployed people in both urban and rural areas incrementally in a planned way so we will be able to select and employ qualified people.

Henan's Hou Zongbin Urges Family Planning Work

HK2806054991 Zhengzhou Henan People's Radio Network in Mandarin 2200 GMT 25 Jun 91

[Excerpts] At a meeting of the provincial leading group responsible for family planning held yesterday morning, Hou Zongbin, provincial party secretary and head of the leading group, stressed: In the coming 10 years leaders at all levels should grasp well family planning work with a lofty political sense of responsibility for our socialist cause and descendants. We should regard the realization of the objective of "higher production output" and "lower population growth rate" as a central task to which a prominent position should be assigned. We should grasp it firmly and unswervingly.

To strengthen leadership over and coordinate family planning work of the whole province, the leadership of the provincial leading group responsible for family planning work has recently been readjusted. Comrade Hou Zongbin is head of the group, and Comrade Li Changchun has been appointed executive deputy head of the group. Other deputy heads include (Fan Xinchun), Wu Guangxian, Yu Youxian, (Song Zongren), (Lin Xiao), Liu Yujie, and (Meng Xiangji). In addition, there are 25 other members of the group. Yesterday's meeting, which was presided over by Comrade Li Changchun, was the first plenary meeting of the group after its reorganization. [passage omitted]

After listening to reports and discussions by participants, Comrade Hou Zongbin spoke. He emphasized the problems in three aspects. He said: During the first five months this year, our province achieved marked results in controlling population growth. All this is manifested in the following: Leaders at all levels attach importance to the work, and the highest leaders in the party and government grasp it personally. The masses have been mobilized. This marks a good start and new turn in the family planning work. A comparatively marked achievement has been made in the work with four investigations and one implementation as a center. In particular, some localities have emphasized the investigation of cases involving the mistakes of organs above county level and leading cadres who violate the family planning policy. The masses have responded more favorably to this. This has greatly promoted our family planning work. A new breakthrough has been made in family planning work of some backward counties and townships. A solid work of providing service was done in spring this year, and marked results have been achieved. This has laid a good foundation for fulfilling the plan of controlling population growth this year.

However, Hou Zongbin stressed: The population situation in our province is still grave. There are still many problems existing in our family planning work. 1. In some localities, a work style of [words indistinct] has not been followed. They are not clear about the exact details of the family planning work, and their mechanisms for statistics have not yet been completed. This has produced undesirable influence over the guidance and

policy decisions for family planning work. 2. Some localities adopt oversimplified methods in their work. 3. Some localities have not taken strong and effective measures to investigate and handle cases involving the obstruction and violation of family planning work. 4. Some localities are not confident enough in fulfilling the plan for family planning work this year. They lack confidence. [passage omitted]

With regard to family planning work for the remaining six months this year, Hou Zongbin pointed out the following:

1. Leaders at all levels and various localities should do well propaganda work to clarify their efforts to unify the thinking of the entire party and the whole people on the decision of the CPC Central Committee and the State Council on promoting family planning work and exercising control over population growth, and speeches by central leading comrades on family planning work.

2. We should lose no time to make early preparations to do well family planning work for autumn. [passage omitted, including indistinct portion]

Henan Theoretical Journal FENJIN Planned

HK2806103991 Zhengzhou Henan People's Radio Network in Mandarin 2200 GMT 27 Jun 91

[Text] Publication of FENJIN [ADVANCE BRAVELY], a theoretical journal of the Henan Provincial CPC Committee, is to officially start on 1 July this year. The main task of the journal is: In accordance with the spirit of the instructions issued by the provincial CPC Committee, it will hold high the banner of Marxism-Leninism-Mao Zedong Thought to conscientiously implement the principle of holding fast to a correct orientation, studying theories, integrating theories with practice, and doing our work well. It will unite with and organize theoretical workers and practical workers to strengthen and improve the party leadership, enhance the theoretical building of the party, and profoundly study basic theories of Marxism-Leninism-Mao Zedong Thought, and the issue of building socialism with Chinese characteristics. It will strictly observe the idea of integrating theories with practice, correctly follow the guiding principle of letting a hundred schools of thought contend, criticize bourgeois liberalization, and serve the objective of uniting as one, advancing courageously, and invigorating Henan.

FENJIN is directly led by the provincial CPC Committee. Editorial Board of the journal is its academic organization. The Board consists of 14 members. Wu Jiquan, provincial party deputy secretary, is director of the Editorial Board. Its deputy directors include Liu Guangxiang, Yu Youxian, (Zhu Yi), and (Shi Xin). (Shi Xin) is concurrently editor-in-chief of the journal.

At a news briefing held by the Editorial Board of the journal yesterday [27 June] afternoon, Comrade Wu Jiquan said: FENJIN journal run by the provincial CPC Committee is to be officially published on the occasion of celebrating the

70th anniversary of the founding of the CPC. This is a matter of primary importance in our province's theoretical work, and also a present for the 70th anniversary of the founding of the party. To celebrate the 70th birthday of the party, we should take practical actions to truly strengthen the building of the party, and assign a primary position to the theoretical building of the party. The publication of FENJIN journal is an important measure taken by the provincial CPC Committee under the new situation with an aim of strengthening theoretical building of the party. Running this journal well will play a significant role in strengthening our province's theoretical studies and propaganda, and enhancing the quality of our cadres. Wu Jiquan hoped that CPC Committees and departments at all levels will greatly support the publication of FENJIN journal, so it will truly become cadres' companion for studying, discussing, and applying Marxist theories. We should let our FENJIN journal fully play its own important role.

Guan Guangfu Attends Hubei Exhibition Opening

HK2706124991 Wuhan Hubei People's Radio
Network in Mandarin 1130 GMT 25 Jun 91

[Excerpts] An exhibition of achievements scored by retired veteran cadres in two civilizations building was solemnly opened in the Hubei Art Gallery this morning. Wang Renzhong, vice chairman of the Chinese People's Political Consultative Conference, had written the following inscription for the exhibition: Learn From Veteran Cadres' Spirit of Selfless Devotion, Make New Contributions to Building Two Socialist Civilizations.

Leading comrades of the provincial party committee, advisory committee, people's congress, and government, including Guan Guangfu, Qian Yunlu, Chen Ming, Tian Qiyu, Zheng Yunfei, and Li Daqiang, former provincial leaders and former Wuhan Military Region leading comrades, including Han Ningfu, (Li Erzhong), Yan Zheng, (Zhou Zhijian), (Kong Qingde), and others, as well as representatives of some retired veteran cadres at vice provincial level attended the opening ceremony and watched the exhibition. [passage omitted]

Entrusted by the provincial party committee and government, (Xu Yunjian), provincial party committee organization department deputy director, delivered a speech at the opening ceremony. [passage omitted]

After watching the exhibition, Comrade Guan Guangfu happily wrote the following inscription: "Old but vigorous and revitalizing!"

While watching the exhibition, Comrades Guan Guangfu and Qian Yunlu said: This exhibition is a very good one. There are a large number of talented and qualified people among the veteran comrades of our province. They are not only politically and ideologically strong but are also rich in work experiences. Many of them also possess specialized expertise. The veteran comrades are the treasure of our party and our state. We should give full play to their role.

A total of more than 200 people, including responsible comrades in charge of cadre work from various prefectural, city, and autonomous prefectural party committees, prefectural, city, and autonomous prefectural party committee organization department directors, prefectural, city, and autonomous prefectural veteran cadre work bureau chiefs, as well as representatives of some retired veteran cadres, attended the opening ceremony and watched the exhibition.

Drug Traffickers Given Harsh Sentences in Hunan

OW2506102791 Beijing XINHUA Domestic Service
in Chinese 1232 GMT 24 Jun 91

[By Wen Wei (2429 5898)]

[Text] Changsha, 24 Jun (XINHUA)—The Changsha City Intermediate People's Court [Wuhan] today held an open session to try an exceptionally large drug trafficking case. Eight criminals were given harsh punishment for selling 6,244 grams of heroin.

After conducting investigations and debates, the court used irrefutable human testimony and material evidence to prove the involvement of defendants Ma Zhi, Feng Chuhua, and Zou Hongsheng in buying 6,244 grams of heroin successively from Burma from April to December of 1990. Of these, 1,113 grams were sold at exorbitant prices for a profit of over 80,000 yuan, while the remainder, totaling more than 5,000 grams, was seized by public security organs. The court ruled in favor of meting out harsh punishment to the defendants because of the exceptionally serious circumstances surrounding their crime and the resultant enormous harm to society. The Changsha City Intermediate People's Court sentenced principal culprits Ma Zhi, Feng Chuhua, and Zou Hongsheng to death and deprived them of political rights for life, in accordance with the "Criminal Law of the People's Republic of China" and the National People's Congress Standing Committee's "Decision on Meting Out Harsh Punishment to Crimes Seriously Disruptive to the Economy." Two other principal culprits, Dong Kuijiang and Wang Yong, were sentenced to death, with two years' probation, and deprived of political rights for life, because the former informed on the other offenders and the latter turned himself in. Accessories Cheng Changlin, Ma Yan, and Chen Liucheng were given fixed prison terms.

North Region

Li Ximing Visits Delegates to S&T Congress

SK2806050291 Beijing BEIJING RIBAO in Chinese
28 May 91 p 1

[By Ji Tao (4764 3447): "Twenty-six Persons of Our Municipality Won the Second National Young Scientific and Technical Worker Award"]

[Excerpts] As soon as the Fourth Congress of the China Association of Science and Technology [CAST] concluded on the afternoon of 27 May, Li Ximing, Chen Xitong, Chen Guangwen, and Lu Yucheng went to the place where the Beijing delegation stayed to visit the delegates to the congress.

Comrade Li Ximing said: I have read twice the speech of Comrade Jiang Zemin given at the Fourth Congress of CAST. During the Eighth Five-Year Plan period, S&T should be the vanguard in economic construction and all departments should attach importance to the work of relying on S&T progress and improving the quality of the entire nation. We are here to listen to the opinions and suggestions from you, the delegates.

After learning that among the 101 persons who won the second national young S&T workers award at the congress, 26 were from Beijing, Comrade Chen Xitong said happily: This shows fully that Beijing is also the S&T center of the country. I will extend heartfelt gratitude to you, delegates, and to the S&T personnel throughout the municipality on behalf of the municipal party committee and government. [passage omitted]

Comrade Li Ximing said in conclusion: The congress was not only a great event of the S&T circles but also a congress meant to mobilize the entire party and the entire nation. When Chinese people rely on their own wisdom and patriotic enthusiasm and truly regard S&T as productive forces, they will certainly enable such a large country as ours to achieve progress more rapidly.

Increase in Beijing Party Membership Applicants

SK2806100491 Beijing BEIJING RIBAO in Chinese
5 Jun 91 p 1

[Text] Since the fourth plenary session of the 13th party Central Committee, party organizations at all levels throughout the municipality have conscientiously carried out the party Central Committee's guideline of concentrating attention on party building. Through the reregistration of party members, party members' leading and exemplary role and party organizations' unity and combat strength have been enhanced.

According to statistics, more than 70,000 people applied for party membership in 1986, and more than 63,000 people in 1987. The number of people applying for party membership in 1988 and 1989 declined to some 20,000, but rose to more than 78,000 in 1990.

Among those who applied for party membership in 1990, 68.1 percent, or some 53,000, were personnel working on the forefront, of whom some 17,000 were industrial workers, accounting for 33.8 percent of those working on the forefront and 23 percent of the total applicants.

As far as the educational level is concerned, applicants with an educational level of senior middle school or higher totaled some 45,000, accounting for 58.7 percent of the total. People working on the forefront who have an

educational level of senior middle school or higher totaled some 29,000, accounting for 65.4 percent.

As far as age is concerned, some 53,000 applicants were 35 years old or younger, accounting for 68 percent of the total, of whom some 36,000, or 69.6 percent, were working on the forefront. Among the applicants aged 35 or younger, some 17,000 were 25 or younger, accounting for 22.8 percent of the total applicants or 33.6 percent of the applicants aged 35 or younger. Among the applicants aged 25 or younger, 67.7 percent, or some 12,000, were working on the forefront.

Beijing's Grain Production Develops Steadily

OW2706212991 Beijing XINHUA Domestic Service
in Chinese 0322 GMT 27 Jun 91

[By Huang Wei (7806 1218)]

[Text] Beijing, 27 Jun (XINHUA)—Reports from the forefront of summer harvesting in Beijing Municipality shows that due to the extensive application of fine-strain seeds and new cultivation and management techniques, Beijing has again reaped a bumper harvest of wheat this year. Interested parties maintain that science and technology is clearly demonstrating its role as the main driving force in promoting a sustained and stable development in grain production in suburban Beijing.

In the past decade and more, Beijing has mainly followed the guidance laid down in the "Spark Program," the "Bumper Harvest Program," and the "Demonstration and Popularization Program," and has popularized the comprehensive and coordinated technologies for ensuring bumper grain harvest. As a result, for 12 years running, grain output in suburban Beijing has been rising at the annual average rate of 50 million kg. In particular, since the Seventh Five-Year Plan period, per-mu grain yield has topped the mark of 500 kg.

In popularizing the comprehensive and coordinated technologies for bumper grain harvest, Beijing first adopted measures suitable to local conditions, changed the method of planting, made more effective use of land, and increased the multiple crop index. In addition, peasants have also widely used the new varieties and are popularizing "Jingyou 626," "Jingdong No. 1," and other new fine-strain seeds on more than 2 million mu of land. These strains have large spikes, heavy grains, and short stalks, and are resistant against diseases. "Yedan No. 4," "Yedan No. 2," and other new and compact strains of corn with a great potential for higher yields have also been applied on more than 1.8 million mu of land.

Besides, suburban Beijing has also vigorously popularized the formulated chemical fertilizer technique, supporting techniques suitable for mechanizing wheat and corn production, and comprehensive water-saving projects and technologies—primarily the sprinkling irrigation technique—thereby laying the foundation for bumper grain harvest.

Xing Chongzhi Inspects Hebei High-Tech Zone

SK2706080391 Shijiazhuang HEBEI RIBAO
in Chinese 8 May 91 p 1

[By Xing Ping (6717 1627): "All Sides Start Up the Green Light To Run the Scientific and Technological Special Zone"]

[Text] On the afternoon of 6 May, Xing Chongzhi, secretary of the provincial party committee, inspected the Shijiazhuang new- and high technology industry development zone. After listening to a briefing given by a responsible person of the development zone, he visited a high new-technology enterprise—The Yinxia Company limited, of the Qinghua University Scientific and Technological Development Corporation, and the Shijiazhuang Radiation Technology Development Center of the No. 404 plant under the China National Nuclear Industry Corporation—and held talks with the personnel on the relevant issues of the development zone's personnel transfer, collection of funds, development plans, the determination of targets, technological development, and the bringing in of personnel.

Xing Chongzhi affirmed the previous stage of work of the development zone, and pointed out: Running new- and high-technology industry development zone is a major affair of the scientific and technological structural reform and the implementation of the "torch" plan and is of great strategic significance in invigorating the provincial capital and regenerating the economy of Hebei. It is an affair not only of Shijiazhuang but also of the whole province. The whole society should care for the building of the development zone. The relevant departments of the province and Shijiazhuang City should serve the building of the development zone well. Setting up the scientific and technological special zone is a new affair in Hebei. Many things are experimental. We should develop and bring forth new ideas in line with the reality of Hebei Province and Shijiazhuang City, work in a down-to-earth manner, and run enterprises with our own characteristics.

Xing Chongzhi stressed: Good things must be done well and special things must be done with special efforts. We should barter down many old concepts, and open up a new path. The things of the development zone should not be interfered with by all sectors. The relevant provincial and Shijiazhuang city departments may adopt the method of jointly handling official affairs at a regular interval and handle a thing immediately once when it is fixed.

Xing Chongzhi thanked the engineers and technicians who first entered the Shijiazhuang new- and high-technology industry development zone to run new- and high-technology enterprises. During his visit to the Shijiazhuang radiation technology development center of the No. 404 plant to see its intelligence-type scintillation nuclear balance which it trial-produced, and the institute for radiation technology application experiments, Xing Chongzhi expressed hope that they would achieve more in scientific research in the nuclear technology application sphere.

Inner Mongolia Standing Committee Meeting Opens

SK2606080591 Hohhot Inner Mongolia People's
Radio Network in Mandarin 1000 GMT 25 Jun 91

[Text] The 21st Standing Committee meeting of the seventh regional People's Congress opened in Hohhot this morning. Butegeqi, vice chairman of the Standing Committee of the regional People's Congress, chaired the meeting. Chairman Batubagen and Vice Chairmen Bai Junqing, Liu Zhenyi, Sha Tuo, Zhou Rongchang, and Cui Weiyue attended the meeting. Alatanaoqier, vice chairman of the regional government; Yang Dalai, president of the regional higher people's court; and (Sheng Liquan), deputy chief procurator of the regional people's procuratorate, attended the meeting as non-voting delegates.

At today's first plenary session, Badalahu, secretary general of the Standing Committee of the regional People's Congress, made a brief explanation of the draft agenda of the meeting. The plenary session approved the agenda.

The participants heard the explanation of the region's revised draft regulations on encouraging foreign traders to make investment, made by Zhou Rongchang, vice chairman of the Standing Committee of the regional People's Congress; the explanation of the region's revised draft regulations on grassland management, made by (Yu Tiezhu), director of the regional Animal Husbandry Bureau; the region's report on launching the campaign of fixing 1991 as year of quality, variety, and efficiency, made by (Zhao Renhai), chairman of the Regional Economic Committee; the region's report on implementation of the food hygiene law, the medicine management law, and the infectious disease prevention and treatment law, made by (Song Fengheng), director of the regional Public Health Department; and the region's report on banning narcotics, made by (Li Maolin), director of the regional Public Security Department.

Inner Mongolia Cracks Down on Narcotics

SK2706122491 Hohhot Inner Mongolia People's
Radio Network in Mandarin 2200 GMT 26 Jun 91

[Text] Governments at all levels; organs in charge of the work of political science, law, and public security; and the departments concerned throughout the autonomous region; have grasped the work of the ban on narcotic producers and addicts by regarding the work as a political task which has a vital bearing on the region's program of building the four modernizations and on the rise and fall of the Chinese nation, and have scored certain achievements in dealing strict blows at the criminal activities of narcotics.

Over the past few years, the region's crimes and violations of law concerning narcotics have been revived and are spreading. In particular, the illegal planting of poppy is quite serious and criminal cases concerning narcotic drugs increase on a large scale. The number of drug addicts who are seriously endangering the society has increased. Incidents caused by drug addicts, such as

losing their family fortune, selling their children, and causing ruin and death in their families, have frequently incurred. Criminal cases, such as engaging in gambling, extortion, blackmail, robbery, and mugging, have steadily increased and aroused the attention of the vast number of people. In response, organs at all levels in charge of political science, law, and public security have dealt strict blows at the criminal activities concerning narcotics. First of all they have enhanced their leadership over the work of the ban on narcotics. The autonomous regional people's government and the political and legal commission under the autonomous regional party committee jointly issued a circular on banning in an overall way and dealing strict blows at the cultivation, traffic, addiction of narcotics; as well as their proposals on expanding the content of the campaign of waging strict struggle against serious criminals and economic crimes. The autonomous region has established its leading group in charge of the ban on narcotics, which has respectively launched struggle or conducted consolidation over the specific cases in the areas where they have serious criminal activities of planting poppy and of manufacturing, trafficking, and taking narcotic drugs, thus dealing relatively powerful blows at the criminal activities of narcotic drugs. Meanwhile, relevant localities throughout the autonomous region have extensively conducted the propaganda work in this regard and mobilized the masses to launch the struggle emphatically against the criminal activities of narcotics, bringing about a good situation in which the massive campaign of the ban on narcotics has unfolded. Based on this massive campaign, the autonomous region has concentratedly carried out in an organized manner the activities of doing away with poppy crops and enhanced the work of investigating and cracking down on the cases of drug addicts. Over the past few years, localities where they have a relatively concentrated cultivation of poppy crops have organized or carried out their unified action in doing away with poppy crops. They have destroyed all poppy fields and every poppy crop that they have discovered. To meet the needs of the struggle, the autonomous regional public security department and a number of banners, counties, and districts in Hulun Buir league and the cities of Baotou and Chifeng have successively established their organs and personnel's contingent in charge of apprehending narcotic dealers and addicts and vigorously grasped the work of investigating and cracking down cases in this regard. They have cracked down a large number of criminal cases of narcotics and dealt blows at or handled a number of criminal elements. Meanwhile, localities across the autonomous region, where they have more and serious drug addicts, have actively opened their drug treatment center and forced the addicts to enter the center and to quit their addiction, thus causing a number of addicts quit their drug habit.

Hohhot Criminals, Drug Traffickers Sentenced

SK2706095991 Hohhot Inner Mongolia People's Radio Network in Mandarin 2200 GMT 26 Jun 91

[Text] On the morning of 26 June, the Hohhot City Intermediate People's Court sponsored an open trial in

the Neimenggu Gymnasium to sentence in line with the law the (?)11 serious convicts including (Wang Zhuming), who had committed the crimes of murder, rape, robbery, and narcotic traffic. In line with the disgusting and ruthless conduct revealed in his cases of [words indistinct] and killing a person with knife, (Wang Zhuming) was sentenced to death penalty, was escorted to the execution ground, and executed by shooting. Convicts (Wu Jinghuan) and (Zhang Pengshan) who sold opium in 1,950 deals on two occasions during the September-October period of 1990 to the persons including (Liu Zheng) in Tumd Left Banner, who resold the opium in 150 deals, were sentenced to from 15 to three years imprisonment in line with the relevant provisions of the PRC's criminal law.

Tan Shaowen at Tianjin Birth Control Event

SK2806034491 Tianjin TIANJIN RIBAO in Chinese 24 May 91 p 1

[By Wang Yongliang (3769 3057 0081), Lin Shuwen (2651 2885 2429), and Wang Hong (3769 1347): "Enhance the Sense of Concern About Population Growth and Stress Eugenics, Good Care, and Wholesome Education"]

[Excerpts] On the morning of 23 May, the municipality whipped up an upsurge in publicizing the municipal population situation and family planning work. More than 100,000 people from various social circles carried out various propaganda activities, such as holding meetings on both banks of the Hai He and marching along the streets. Joining in the activities were Tan Shaowen, secretary of the municipal party committee, and Liu Jinfeng, deputy secretary of the municipal party committee.

Also joining in the propaganda activities were leading comrades, including Huang Yanzhi, Liu Fengyan, Shi Jian, Song Pingshun, He Guomo, Wu Yongchang, Wang Liji, and Li Jianguo; as well as veteran comrade Bai Hua. [passage omitted]

Leading comrades, including Tan Shaowen, came to the propaganda meeting sites in the districts of Heping, Nankai, and Hongqiao in succession to join in the activities. They talked with the teachers and students of the 61st municipal middle school, who were attending the propaganda activities on the bank of the Hai He, which is near to the intersection between Zhang Zhizhong road and Heilongjiang road. After hearing the briefing given by the relevant personnel of the school on the work of conducting education among teenage students, Tan Shaowen stated that conducting the family planning work represents the basic policy of our country and that over the past few years, the municipality had scored very great achievements in the family planning work thanks to the active efforts made by the broad masses of family planning workers. Our future tasks are still very heavy. To realize the second-phase strategic target of building the socialist modernization, a success in conducting the family planning work and bringing the

population growth under control is very crucial. Tan Shaowen pointed out that it is very important for us to enhance the propaganda activities of family planning and that it is imperative to conduct propaganda and educational work in this regard first among juveniles so as to enable them to learn about the country's conditions and population situation during their puberty and to foster their sense of worry. Then, Tan Shaowen came to the campaign site near to the Jingang Bridge and cordially shook hands with the cadres and people of Hongqiao district to extend thanks for their participation in the propaganda activities. The district has a large number of Hui nationality people and many Islamic imams joined in the street activities. Tan Shaowen stepped forward to the Islamic imams to appreciate their participation and also acknowledged the propaganda measure taken by these Islamic imams by saying that we can score better effects if adopting different measures in line with the different conditions. [passage omitted]

Tianjin Facing Baby Boom, High Birth Rate

SK2706093691 Tianjin TIANJIN RIBAO
in Chinese 11 May 91 p 1

[By Lin Shuwen (2651 2885 2429): "Do Our Best To Bring the Population Growth Under Control"]

[Text] On 10 May, the municipal Family Planning commission disclosed that during the "Eighth Five-Year Plan" period, the municipality is facing the third baby boom and will suffer the tremendous shock wave of births. Such a severe population situation will enable the municipality to encounter extremely arduous tasks in bringing the population growth under control. Therefore, the municipality as a whole should pay great attention to it.

As was learned, the municipality's current population reaches 8.66 million, a 1.021 million increase over 1982. The yearly average increase in the eight-year period reaches 128,000 persons. During the "Eighth Five-Year Plan" period, the municipality's rural areas still continue to suffer the baby boom and will reach the summit during the period from 1992 to 1995. The municipality's total number of fertile women will increase from 2.46 million at the end of the "Seventh Five-Year Plan" period to 2.6 million in 1995. The proportion of women at the age from 20 to 29, who are vigorous in birth, will reach its peak. It is estimated that in the coming 10 years, the municipality as a whole will show a more than 1.037 million increase in its population and the yearly average increase will reach 103,000 persons. Even if the municipality brings the population growth under strict control, its total population in 2000 will reach 9.7 million and even will reach 10 million if it is even slightly slack in its work in this regard. Meanwhile, the current development in the family planning work is extremely uneven. The birth control work in about 30 percent of rural townships and towns is still in a passive position and the annual number of extra births reaches 10,000. In addition, the municipality's problems with regard to early marriage

and birth, illegal births, the decline of late marriage, and the poor management over the birth of transient population, are relatively serious. All of these will hinder the fulfillment of the population plan.

Nie Bichu at Tianjin Economic Cooperation Meeting

SK2706080591 Tianjin TIANJIN RIBAO
in Chinese 12 May 91 p 1

[Excerpts] At the municipal forum on developing economic cooperation with the northwest region held by the municipal government yesterday, Mayor Nie Bichu proposed that strengthening and expanding economic ties with the northwest region and promoting common development of the Tianjin economy and the northwest region constitute an important strategic measure for realizing the municipal Eighth Five-Year Plan and the 10-Year Program. The key to realizing this objective lies in changing concepts and fostering an ideology of sincere service. Only by so doing, can we display the role of Tianjin as an economic center, attain the goal of combining the best from each area, and create a new situation in economic cooperation between Tianjin and the northwest region.

Li Huifen, Zhang Zhaoruo, Han Enjia, Fang Fengyou, and other municipal leading comrades, responsible persons of the committees, offices and bureaus concerned, and some experts and scholars attended the forum.

Since the third plenary session of the 11th party Central Committee, Tianjin has rapidly developed economic ties and cooperation with various provinces, regions and cities in the northwest region and in Xinjiang Region, unceasingly expanded lateral economic cooperation by spanning regions, trades, and departments, and achieved success in technological transfers, the export of funds, personnel training, foreign trade, and commodity and material exchanges. At yesterday's forum, persons concerned gave opinions on how to further serve the northwest region, open up markets in the northwest region, enhance the competitiveness of products, and further display the superiority of the ports, technology, and personnel of Tianjin.

Liu Wentao, director of the municipal Economic Cooperation Office, said: To accelerate economic development with the northwest region, we should implement three combinations under the premise of upholding the principle of "mutual benefits, sharing risks, promoting strong points and avoiding shortcomings": First, we should combine the superiority of the ports, technology, and personnel of our municipality with the superiority of natural resources, markets, and technology of military industrial enterprises in the northwest region; second, we should combine superiority of natural resources in the northwest region with the superiority of the processing industry of Tianjin; third, we should combine the scientific and technological superiority of Tianjin with that of the northwest region, mutually transfer scientific and technological achievements in line with the needs of economic development of our municipality and the

northwest region, jointly develop new products and pay attention to developing cooperative items that involve high technology and small investments but give quick returns and good economic efficiency.

Wang Juxing, chairman of the municipal Commercial Committee, analyzed the main reasons for the sagging situation in the sales of municipal products in the northwest markets during recent years, and proposed that leading departments and industrial and commercial enterprises should break with old concepts and strengthen the sense of market competition; improve the market mechanism and accelerate the updating and upgrading of products; and at the same time, adopt various trading forms and realistically invigorate the circulation of goods. [passage omitted]

In his speech, Nie Bichu said: In the next 10 years, giving prominence to the role of Tianjin as an important economic center is an important idea in developing the economy of our municipality. To realize this point, we must open our municipality to foreign countries and other provinces and cities, use business ties with other provinces and cities to promote business in our municipality and use domestic trade to promote foreign trade. The key issue involved is to change concepts. Leaders at all levels, and managers of each and every enterprise, should emancipate their minds, break with the rules and regulations that restrict the development of productive forces and the commodity economy, and absorb all new business ideas and advanced management experiences from foreign countries and other provinces and cities. To enable the manufactured goods, particularly brand-name and quality products, of Tianjin to enter foreign markets, enterprise managers must have the courage to advance in a pioneering spirit and to take risks. Without this spirit, it is impossible for us to cope with the acute production competition situation, to maintain the traditional market and to develop the new commodity market.

Nie bichu said: In the past, the economic ties between our municipality and the northwest region were fairly close and the cooperative sphere was quite extensive, playing an active role in promoting development between both sides. Along with the deepening of reforms and opening up, it is more important and urgent for us to strengthen these cooperative ties and to realize the goal of combining the best of both areas. Judging from the actual situation, both sides have great potential for cooperation. Our general principle for establishing close ties with various provinces and areas in the northwest region, and promoting economic and technological cooperation are to attach prime importance to sincere service, and realize the goal of mutual supplement on the basis of giving good service. The municipal leading departments and down to enterprises should firmly foster the concept of sincerely and zealously serving the northwest region, strengthen cooperation and coordination in a broader sphere and a deeper layer, and promote common development in various provinces and areas in the northwest region. Recently, the municipal government has prepared to send a delegation to the northwest region for

observation and visit. The purpose of this move is to exchange views, unify thinking, clarify ideology, and enable our municipality and the northwest region to witness a new situation in economic cooperation.

Tianjin Takes Measures To Increase Exports

SK2806013091 Tianjin TIANJIN RIBAO
in Chinese 11 May 91 p 1

[Text] After a two-day session, the municipal work conference on foreign trade and exports concluded on the afternoon of 10 May. During the conference, the participating personnel summarized and exchanged the basic experience gained in the work of foreign trade and exports in the first four months this year and held a full discussion on the issue of how to make enterprises be responsible for their own profits and losses in the year in which the new system of foreign trade has begun to be enforced, as well as of how to fulfill the export tasks this year. Attending and addressing the work conference were Zhang Zhaoruo, vice mayor of Tianjin Municipality, and Liu Hengzhi, specially appointed representative of the Ministry of Foreign Economic Relations and Trade.

It was stressed at the work conference that efforts should be made to consolidate and develop the good trend currently occurring in foreign trade and exports; to further mobilize the broad masses of staff members and workers on the foreign trade front to adopt effective measures to successfully implement the policy on making the foreign trade enterprises be responsible for their own profits and losses this year; and to orient the municipality's foreign trade and exports to a beneficial cycle as soon as possible.

During the work conference, the participating personnel analyzed the major difficulties encountered by at Tianjin harbor in the work of foreign trade and exports and the favorable conditions for the foreign trade and export enterprises to be responsible for their own profits and losses this year and to fulfill their annual export plans. Major countermeasures stressed by the participating personnel at the work conference and adopted for fulfilling the tasks in the coming eight months this year are as follows:

1. Efforts should be continuously made to vigorously readjust the export commodities mix to meet the current needs and to vigorously export the products whose cost is adequate and which enjoy brisk sales abroad so as to increase the economic results in foreign trade. Meanwhile, we should have the future in mind and integrate the readjustment, meeting the current needs and the strategic needs to enhance the reserve forces of exports.
2. Efforts should be made to further open markets, to implement the strategy of opening the markets of multiple categories, to increase the channels of sales, and to broaden the export transactions.
3. Efforts should be continuously made to vigorously develop the business of processing, of assembling, and of

compensation trade; and to strive to show a larger increase over the 1990 business volume of "contracts" signed for processing products with materials and samples from abroad, for assembling products with parts provided from abroad, and for conducting compensation trade. Efforts also should be made to develop the income accumulated from labor wages or charges.

4. Efforts should be made to adopt possible ways and means to enliven funds, to upgrade the efficiency of fund utilization, to accelerate the fund circulation, and to do a good job in curtailing overstocking and in handling the difficulties of the slow selling of commodities in domestic markets.

5. Efforts should be made to further enhance the operation and management of foreign trade enterprises. In launching the "yearly campaign" of improving the quality, increasing the variety of products, and upgrading the economic result, we should improve the operation of foreign trade; enhance the management; and follow the road with few investments, much output, and good economic results.

Northeast Region

Heilongjiang's Sun Weiben on History Education

SK2506115691 Harbin HEILONGJIANG RIBAO
in Chinese 6 May 91 p 1

[By Sun Weiben, secretary of the Heilongjiang Provincial CPC Committee, originally carried in the magazine "LONGJIANG DANGSHI" (Party History of Heilongjiang) No. 1 issue of 1991: "It Is Necessary to Educate the People With Party History"]

[Text] Comrade Jiang Zemin recently pointed out: "At present, many young people do not understand or are not familiar with the history of suffering hardships and the history of striving for independence and liberation of our country and nation. Even in the memory of some older people, the history has faded. This sets forth a task that we should intensify the education in the national situation and in patriotism and socialism among the people, especially young people." To make the education successful, we think that it is most important to intensify the education in party history and educate the people with party history. This is because the 70-year history of the CPC was the history of its leading the Chinese people in striving for independence and liberation and in marching toward democracy, prosperity and strength, and a history that embodied patriotism, collectivism, socialism and communism, of which the rich and profound historical connotation has a tremendous spiritual force to influence and educate the people. We should treasure the history written with the blood of millions of martyrs, and give full play to its role to educate the people. Today, in particular, when the domestic and international situation is complicated and changeable, educating the people with party history has an important immediate significance in our adhering to the four cardinal principles,

opposing bourgeois liberalization and the "peaceful evolution" of the hostile forces at home and abroad, strengthening the party's ideological and political work, and maintaining social stability and sustained, stable and coordinated economic development.

To educate the people with party history, we should first help the people understand the situation of China and China's road of development by summarizing the historical experiences. The history of the CPC was actually the history for the Chinese people of modern times to understand the national situation and to choose the road of development. Study of it will enable us to gain many historical enlightenment and, in particular, will tell us an important historical choice that only the CPC can save China and only socialism can develop China.

As everyone knows, the vicious opium war reduced our country gradually to a semicolonial and semifeudal society, and put the Chinese people in an abyss of suffering. Unequal and humiliation created by repeated defeats in wars, national oppression and backward productive forces lay heavily on the Chinese people. Advanced Chinese people began their long and difficult explorations and pursuits to eliminate such exploitation and oppression, win national independence and liberation and enable China to stand up with dignity and the Chinese nation to stand among the advanced nations of the world. The peasants' revolution during the Taiping Heavenly Kingdom failed, so did the "Reform Movement of 1898" of the bourgeois group for constitutional monarchy which intended both to secure the "imperial position" and to carry out "constitutionalism." The revolutionary achievements of the Revolution of 1911 of bourgeois democrats were ruined right after it had brought a gleam of hope to China due to its weak nature. One after another hard efforts led to one defeat after another, and brought one after another disappointments. The Chinese people found Marxism in desperation and saw the first light of a new century amid the roars of guns of the "October Revolution." As a result, the Chinese people chose the CPC and socialism. This correct choice compatible with the law of history enabled the Chinese people to overthrow imperialism, feudalism and bureaucrat-capitalism, achieve national independence and liberation, and open a new page in history.

History proved incontrovertibly that socialism is the only road leading China to socialism. People advocating bourgeois liberalization said that China could achieve modernization only after another 300 years of colonization. People who know China's history all know that China experienced more than 100 years of colonization and semicolonization from 1840 to 1949, which brought chaos caused by wars, looting and suffering and did not bring any hope to China. Only after 1949, when PRC was founded did socialism work a miracle on the ruined land. We achieved self-reliance in grain supply, made synthetic insulin, exploded the atomic bomb and launched satellites. In merely 40 years, we achieved the industrialization that took capitalist countries more than one century to achieve. Of course, we do not deny that we also committed many mistakes and the mistake of

the "10-year calamity" of which we recall is unbearable. However, it is not strange that mistakes accompany the progress of human beings. In addition, our party has never covered up its mistakes. Even if it was the mistake resulting from good intentions, the party has been able to do its best to correct it. Therefore, party history can not only tell us that socialism can save China and develop China but teach us to correctly understand the mistakes on the way of advancement. We should not underestimate the role of the party history as a "historical mirror."

To educate the people with party history is also for the purpose of developing the national spirit and enhancing our determination and confidence to conquer difficulties. The Chinese nation has always been a nation that attaches importance to justice and despises profits and even sacrifices for a just cause. In her history and traditional culture, people who were valiant and unyielding in resisting foreign aggression, those who made ceaseless efforts to improve themselves for national development and those who worked conscientiously without complaint for the benefit of the masses have been regarded as symbols of the nation and are praised generation after generation. After reading the party history, we will find that as the epitome of the national spirit, party history has a great power to influence and educate the people and has a tremendous immediate significance in uplifting our spirit, enhancing our national confidence and conquering the current difficulties.

Many outstanding elements of the CPC laid down their lives for the liberation of the Chinese nation. In battle fields or when facing the weapons of the enemy, they faced death unflinchingly, displayed the national spirit and moral courage to "share the responsibility for eliminating the national calamity" and to "be killed rather than humiliated," and a great number of heroic martyrs, such as Fang Zhimin, Yang Jingyu, Jiang Zhuyun and Dong Cunrui, emerged. Their books and letters and their last words can still move us to tears and inspire us even today. In the period for socialist construction, many people made extraordinary contributions in their ordinary work posts and even sacrificed their precious lives in order to achieve the modernization of the motherland and catch up with and surpass the advanced levels of the world. They included Xiang Xiuying, Lei Feng, Jiao Yulu, Wang Jinxi, Jiang Zhuying...and the young intellectuals who died and are buried in the desert for the development of the modern industries of the motherland as described in the special television drama "The Strange Annals." Each and every name represents a monument which is erected forever on the road of China's socialist modernization to be read aloud by later generations.

Well-known heroes were recorded in history while countless unknown heroes did not leave their names. In our socialist motherland, people who made contributions to the revolutionary cause but did not leave their names could be seen everywhere. Last year, our province discovered two "martyrs," Li Yuan and Jing Yuzhuo, who frightened the enemy with their bravery in killing the enemy on the Korean battlefields and who later left the Army because of serious injury and were included in

Comrade Wei Wei's famous reportage "Who Are the Most Beloved People?" For more than 30 years, they never claimed credit for themselves and became arrogant, or publicized themselves. They remained unknown and continued to help build socialism in their extremely ordinary posts. Their deeds have evoked tremendous repercussions. In them, people again read the true meaning of "Communists." Party history was indeed a moving and inspiring history whose spiritual force will last forever.

In educating the people with party history, the key is to educate young people. Comrade Deng Xiaoping has always emphasized this. In his 1984 inscription for the "Recollections of Guangxi's Revolution," he wrote: "Educate the Coming Generations With Revolutionary Deeds and, Like Our Predecessors and Martyrs, Always Be A Revolutionary, A Socialist Who Serve the Collective Undertakings of the Masses and A Communist." After the 1989 political storm, this issue has become particularly important. Just as Comrade Jiang Zemin said: "With what history to educate young people actually represents a struggle to win over successors." At present, this issue has drawn the great attention of the entire party, and a good social environment has begun to take shape. We should make the best use of this opportunity to publicize party history extensively and profoundly among young people, and achieve success in training successors.

Educating the people with party history is not the work of a single day. It is a long-term historical task. Party committees at all levels should place this work high on their agenda, make arrangements for and inspect it on a regular basis to ensure implementation. As we often say, cadres who do not know party history are politically immature cadres. Failure in educating the people persistently with party history is also a manifestation of political immaturity.

The 70th birthday of the party is drawing near. To usher in the great festival, the provincial party committee hopes that party committees at all levels will take actions immediately, rely on propaganda and party history departments to make early arrangements and build up momentum, strive to turn this year into one for publicizing party history and for conducting education in party history, and work hard to enhance the national confidence, strengthen national unity, carry forward the revolutionary traditions, maintain close party-populace and cadre-populace ties and raise the entire nation's level in the spiritual civilization.

Meets With Entrepreneur

SK2706084891 Harbin Heilongjiang People's Radio Network in Mandarin 2100 GMT 26 Jun 91

[Text] On the morning of 26 June, provincial leaders met in Harbin with (Li Wanren), outstanding party-member cadre and manager of Daqing Highway Engineering Company, and with some members of the group designated to report the deeds of (Li Wanren). This group arrived in Harbin to make reports on the deeds of (Li Wanren) for cadres of the provincial-level organs upon the invitation of the propaganda department of the provincial party committee, the work committee of

organs of the provincial party committee, and the work committee of organs of the provincial government.

Attending the reception were Sun Weiben, Shao Qihui, Wang Zhao, Zhou Wenhua, Ma Guoliang, Wang Haiyan, Chen Yunlin, Xie Yong, Meng Qingxiang, Shan Rongfan, Zhang Xiangling, and Tian Fengshan.

During the reception, Sun Weiben, secretary of the provincial party committee, said: In the course of learning from Jiao Yulu, we have witnessed the appearance of (Li Wanren). This has played a great role in improving the province-wide organization building and the quality of the ranks of cadres and in facilitating the improvement in party style and the social atmosphere.

Shao Qihui, governor of the province, said: The deeds of Comrade (Li Wanren) are new developments in the revolutionary tradition in the course of carrying out reform and opening to the outside world. Among enterprises, the most important thing during the decade of reform has been the contract system. Now, we have not yet given a complete answer to the question of how to serve as a good representative of the authorized person of contracted management and how to serve as a good leader of a contracted unit. Comrade (Li Wanren) has satisfactorily answered this question in politics, work, and livelihood.

Heilongjiang Theoretical Study Meeting Ends

SK2706085191 Harbin HEILONGJIANG RIBAO
in Chinese 8 May 91 p 1

[By Zhou Yanhe (0719 1693 3109) and Xu Hua (1776 5478): "The Provincial Meeting to Exchange Experience in the Cadres' Theoretical Study Ends"]

[Text] The three-day provincial meeting to exchange the experiences of cadres in the study of Marxist theory ended in Jiamusi City today. Zhou Wenhua, deputy secretary of the provincial party committee, gave a speech at the meeting. He called on cadres across the province, particularly leading cadres, to strengthen the study of Marxist theory, unceasingly improve ideological and leadership methods, and remarkably raise the quality of our cadres as soon as possible.

In his speech, Zhou Wenhua stressed: In the light of the changing international situation, the major tasks which our party has shouldered in carrying out China's socialist construction undertakings and the important status which we hold in the international communist movement, we must consider the study and research of the Marxist basic theory as an urgent task, and place it on our agenda. He said: With the attention of the provincial party committee and under the leadership of party committees at all levels, and after more than one year, the broad masses of cadres across the province have greatly enhanced their awareness of the study of the basic Marxist theory. A macro-climate in the study, propaganda and research of Marxism has already been initially formed. However, we must recognize that at present, the

phenomenon of having no interest in and paying insufficient attention to the study of theory still exists among some cadres. Some persons held that the study of theory is just like a "distant water which cannot quench the present thirst." Some leading cadres were bogged down in routine business and neglected theoretical study. This situation must be changed as soon as possible.

Zhou Wenhua called on cadres across the province to further enhance their understanding of the importance of strengthening Marxist theoretical study, and to strengthen their Marxist conviction. He pointed out: At present and in the days to come, the emphasis of cadres' theoretical education is to strengthen the study and research of the basic theory and practice of building socialism with Chinese characteristics. From now on to the time prior to 1 July, all localities should step up their efforts to deepen their understanding of the 12 principles put forward by the seventh plenary session on building socialism with Chinese characteristics in line with the study of Marxist philosophy and socialist theory. Beginning from the second half of this year, the whole province will devote one or one and a half years to carrying out study and education on party history and party building among the party-member cadres. Party committees at all levels should attach prime importance to this and conscientiously organize this study.

Zhou Wenhua pointed out in particular: The key to making the theoretical study of cadres a success lies in the efforts of leaders to grasp the work. Party organizations at all levels must consider the theoretical study of cadres as a major fundamental concern and must place it on the agenda. The first and second top leaders of the party committee should grasp the study personally, and attend to the theoretical education of cadres. We should carefully organize the propaganda and organization departments, party schools and units, improve their relations, and implement all study tasks well. All localities should work out long-term plans and make short-term arrangements for cadres' theoretical study in accordance with the central directives and provincial plans and in line with the reality of their own localities and departments. We should resolutely check the tendency that leading cadres are bogged down in routine work and neglect theoretical study. We should actively strengthen the self construction of the theoretical educational ranks and pay special attention to training young and middle-aged theoretical and educational workers. This is a major matter bearing on the successors for carrying out the Marxist theoretical education work. Meanwhile, party committees and governments at all levels should pay attention to strengthening the building of propaganda departments at all levels, lecturers' groups and study centers, and gradually replenish these departments with comrades who are strong in politics and high in theoretical level and have certain practical experiences.

Shan Rongfan, member of the Standing Committee of the provincial party committee and director of the Propaganda Department, also attended the meeting.

Jilin's He Zhukang on Economic Restructuring

SK2706133791 Changchun JILIN RIBAO
in Chinese 6 May 91 p 1

["Excerpts" of speech by He Zhukang, secretary of the Jilin Provincial CPC Committee, made at the provincial economic restructuring work conference on 17 April]

[Text] We should set up a new system of socialist modernization with Chinese characteristics and form an economic operation mechanism linking planned economy with market regulation. The reform work task is extremely arduous and difficult. To fulfill this historical task, we must have an indomitable will for reform, powerful work guidance, and consummate operational art. Now, the reform work has comprehensively been carried out in many spheres. The people on all fronts are urged to expand the reform measures. We have many tasks to perform. We must put the reform stand on balancing the relations between various sectors of the economy. On the premise of persisting in the socialist orientation, we should grasp the major systems and mechanisms affecting the overall situation, and concentrate efforts on implementing the specific reform measures and policies.

Balance the Relationship Between the State and Enterprises

To balance the relationship between the state and enterprises in line with the actual conditions of the province, we should generally attend to the work in three aspects: 1) How does the state manage enterprises? Does the state manage enterprises directly or indirectly? Does the state manage enterprises with legal economic means or administrative means? All this is related to the management functions of the government. How to separate the functions of government owners from the functions of social managers is a central issue. Although we adopted a series of measures, such as delegating powers to enterprises, expanding decision-making powers of enterprises, and improving planned management, in the past years, the problems in this regard have not truly been solved. The situation that governments directly imposes inappropriate administrative interference on enterprises generally exists. So, we must solve this problem by studying and setting up the state assets management organizations in the course of deepening reforms. 2) How can we structure the enterprise management forms. Since the implementation of the reform work, we have generally carried out the contracted management system among enterprises, carried out the leasing system among a small number of enterprises, and carried out the stock-holding system among some individual enterprises. The original intention of the reform work is clearly defined. That is, we should separate government functions from enterprise management, separate ownership from management right, and make enterprises become relatively independent, have the initiative in management, and assume sole responsibility for profits or deficits. It should be said that our province's contract system, particularly the pilot system of all staff and workers are

contracted for fixed assets, is a real choice and an effective form. Simultaneously, we should also explore the ways for carrying out the cooperation and stock-holding system among the civilian-run units in towns, townships, and urban districts; for allowing state-owned enterprise legal persons holding stocks; and for setting up limited responsibility corporations and joint-stock companies established with the investment offered by the state property management organizations and investment companies. Through unswerving efforts, we should find out various effective forms to realize public ownership under the commodity economic conditions, and have enterprises make a bigger stride toward relevantly independent commodity producers and managers. 3) How can we define property rights. We should determine the forms to manage the property rights of state-owned enterprises, define the possession of the main body, make enterprises break through the administrative barriers through circulation of their property, and realize the optimization of organizations. The problems relating to "no changes in three aspects" cropping up through readjustment of enterprise organizational structure and through organization and establishment of enterprise associations are crucial problems relating to balancing the relationship of property rights. So, we should carry out experiments and make explorations in this regard. It is also necessary to explore the property rights of collective enterprises, to smash the traditional management forms of "the second state-owned enterprises," and really set up a vigorous management mechanism of collective enterprises.

Balance the Relationship Between Macroeconomic Regulation And Control And Microeconomic Vitality

China is a socialist country with public ownership as its main body. Thus, our government plays a more important and effective role in regulating and controlling the macroeconomy than the countries of any other social systems. But, practices in the past years proved that the role that our government plays has two noticeably different effects under different conditions and in different aspects. If the government appropriately grasps the macroeconomy and properly displays its role, the microeconomy will be filled with vitality and the economy will be developing in a better way. On the contrary, various unfavorable consequences will be created. The experiences and lessons in the past 12 years told us that to handle the relationship between macroeconomic regulation and control and microeconomic vitality, there are, by and large, several theoretical and practical points.

First, how can we ensure that the operation of macroeconomy is dominated by indirect control. How does indirect regulation and control manage total supply and total demand and the economic structure? How does indirect regulation and control enliven the economic operation? What management organizations and management means and methods should we set up? What high-efficient and unified system should we set up? The state should study the reform in this regard, and the province should also study it in line with the provincial

actual conditions so as to ensure that the economic structure is flexible and not controlled in a rigid manner. On the premise of managing total supply and total demand, economic structure, and economic operation, the overall economic departments, particularly economic lever departments, should study ways for invigorating enterprises. At present, the price departments are carrying out, on a trial basis, the measures for controlling the total levels of goods prices and relaxing the restrictions of specific commodity prices. We should advance toward this target. We should further study finance, tax and monetary affairs, and wages; and realistically bring into play the economic lever departments' role in regulating the economy.

Second, we should grasp the degree of macroeconomic regulation and control and the degree of powers to be delegated. We should define the following two viewpoints according to the previous experiences and in line with the current actual conditions of reforms. One viewpoint is not to take the path of simply delegating powers and conceding benefits. Judging the actual conditions of enterprises and the orientation of reforms, we know that the current situation is not far from the reform target. So, we should continue to delegate powers to enterprises and enliven their economy. However, the delegation of powers should be linked with macroeconomic control, vitalizing enterprises should be in keeping with applying pressure on them, and applying policies on enterprises should be linked with asking enterprises to make more contributions. The other viewpoint is that we must pay attention to the orientation and the degree of "appropriate concentration." We should define the target on which we concentrate appropriate efforts. I think that the target does not mainly indicate enterprises but intermediate links. Responsibility should be in keeping with means through appropriate concentration. Viewing the general situation, we know that at present, enterprises' decision-making powers are not enough because some decision-making powers that should have been delegated are not delegated; enterprises do not obtain larger portions of profits and the profits obtained in name obviously differ from the profits actually obtained by them; and enterprises do not have full development capacity. We must grasp the work in these two aspects in doing our practical work. We should delegate powers to enterprises on the premise of grasping effective control.

Third, means and forms of regulation and control should mainly be dominated by legal and economic means, and supplemented by necessary administrative means. We should apply the law of value and learn to use market regulation, industrial policies, and various economic parameter restriction means to guide enterprises' independent management behaviors. We must never withdraw powers from enterprises according to the old administrative management methods or rigidly control enterprises as soon as we lay stress on strengthening macroeconomic regulation and control. The problems in this regard have not been solved yet.

Balance the Relationship Between Reform And Development

The main purpose of reform is to readjust the production relations, and the purpose of development is to upgrade productive forces. To balance the relationship between reform and development, we should first make reform serve and be conducive to development. On the one hand, the development of the economy and society calls for changing the malpractice in old systems and injecting vitality to mechanisms; on the other hand, the main standard for judging the success in reform measures is development, and the key to assessing reform measures is to judge whether or not they are conducive to upgrading social productive forces and promoting a steady increase in the economy. That is, the province must conduct reforms closely in line with the requirements of solving the practical problems in economic development. For instance, we should find out ways through change of mechanisms and readjustment of systems to solve the problems relating to vitalizing enterprises, particularly large and medium-sized enterprises, the problems relating to enterprises' high input and low output efficiency, the problems relating to the unreasonable industrial structure and the unreasonable organizational structure, the problems relating to the stagnation and the slow circulation of funds, and the problems that enterprises occupy an excessively larger amount of funds. At the time of working out reform programs and plans, we should take into consideration both the issue of being conducive to solving the deep-layered problems in the economic development, and the problem relating to the real environment and foundation offered by the economy; and pay full attention to the economic-bearing capacity of the state, enterprises, and individuals so as to safeguard the stable development of the economy and the stability of society and to avoid producing great social repercussions. Second, development should provide a comparatively relaxed environment and condition for reforms. The more strained the economic environment is, the more we should pay attention to enlivening enterprises. The overall economic environment departments and the responsible departments at various levels should study ways to help enterprises carry out the method of making the "cake" bigger, support reforms, and develop financial resources. Party committees and governments at various levels should pay high attention to the reform measures that are conducive to alleviating the deep-layered economic and social contradictions, including the reform of the housing system and the reform of the social insurance system. To take the long-term interests and the overall economic development into consideration, we had better tighten the budget and strive to gain the initiative in developing the economy.

Balance the Relationship Between Urban Areas And Rural Ones

Reducing three major differences, ensuring a coordinated development of urban and rural areas, and seeking common wealth is an important target for conducting reforms.

To implement the Eighth Five-Year Plan and the 10-year reform program and realize the objective of making the people become comparatively well-off, we must make a unified plan for linking the urban reform and the rural one, and conduct the urban and rural reforms in a coordinated manner. The relationship between urban areas and rural ones should be readjusted in line with the requirement of developing the rural socialist commodity economy. We should further stabilize the system of contracted responsibility on the household basis with payment linked to output, develop the socialized service system, perfect the system of linking centralized management with decentralized management, reasonably readjust the prices of industrial and agricultural products to be exchanged, develop town and township enterprises, and promote the reasonable flow of labor forces. Meanwhile, our province, whose agricultural output value amounts to a larger proportion in the national economy, should lay full stress on the principle of cities supporting the countryside, industries being geared to the needs of agriculture, and industries using agriculture. We should give full scope to the central cities' influential functions, deepen the overall reforms in counties and towns, and exert efforts to link the rural reform with the urban one, to have cities guide the reform work of counties, and and to have towns guide the reform work of villages so as to ensure their coordinated development. We should also make a unified plan for urban and rural development by balancing the overall economy. We should link the construction of grain production bases and the readjustment of the cropping industrial structure with the development of industries and the readjustment of the industrial structure, coordinate the development of large industries in cities with the development of town and township enterprises in the countryside so as to organically link the urban economy with the rural one; organically combine agriculture with industry, commerce, and trade; and give full scope their advantages.

Balance the Relationship Between Planned Economy And Market Regulation

We have theoretically and practically explored the issue of linking planned economy with market regulation. At present, whether we have to or whether we are able to combine planned economy with market regulation is not a problem. But, the problem is that we should further study ways for better linking planned economy with market regulation and explore forms for specifically realizing the combination. This is a crucial problem relating to the economic structural reform. Generally speaking, we should mainly display the role of planned management in macroeconomic development targets, the control over total supply and total demand, and the disposition of the economic structure and productive forces; and should rely on the market mechanism to regulate enterprises' regular microeconomic activities. We should carry out mandatory planning to manage the small number of large and medium-sized key enterprises that have a bearing on the national economy and the people's livelihood, and non-profit social public welfare

undertakings; and mainly rely on market regulation to manage the majority of enterprises with competitiveness and with the purpose of making profits. The prices of energy resources, transportation, some farm products, and raw materials for industrial use, the charges for use of public facilities, and service charges are fixed by the state; and the prices of the majority of intermediate products and finished products should be decontrolled and be determined by the markets. The circulation front should concentrate efforts on controlling wholesales and decontrolling retail sales. We should gradually reduce the proportion of mandatory planned distribution and allocation, carry out the guaranteed forward contract system, and perfect the key commodity and material storage system. In short, we have a basic frame to link planned economy with market regulation. We believe that along with the deepening of reforms, we will certainly solve the problems in this regard, display the advantages of planned economy and market regulation, and let the socialist commodity economy display its gigantic superiority.

Liaoning Rural Enterprises Play Greater Role

*OW2806081791 Beijing XINHUA in English
0714 GMT 28 Jun 91*

[Text] Shenyang, June 28 (XINHUA)—Fast growing rural enterprises are expected to play a greater role in the economy of northeast China's Liaoning Province, a major heavy industrial center.

Last year, the gross output value of rural enterprises in the province reached 34.58 billion yuan, accounting for 22 percent of the province's total.

Between 1978 and 1990 the profits of rural enterprises in the province totalled 22.59 billion yuan and the taxes they turned over to the state reached 9.96 billion yuan.

With a 39 million population and one million technicians, the province boasts 976 heavy industrial enterprises—one tenth of the total in the country. They provide a strong backing for the rural enterprises.

In the past few years rural enterprises have played an important role in developing the rural economy and improving people's life. In the current drive to rectify the economic order, which slowed down the growth rate of local industrial production, the rapid recovery of rural enterprises has played a positive role, according to provincial Governor Yue Qifeng.

Last year the gross industrial output value of the province increased by 2.3 percent due to the development of rural enterprises.

Yue Qifeng said that the rural enterprises' output value accounted for 67.4 percent of the province's total rural social output last year. The development of rural enterprises has not only promoted the development of rural productive forces, but also narrowed the differences between town and country, and between workers and peasants.

Liu Wenjun, director of the Ganjingzi District Foreign Economic and Trade Committee in Dalian City, said that prior to 1989 the district had few export-oriented rural enterprises. But last year the district approved 22 foreign-funded enterprises involving rural enterprises, with 91.6 million U.S. dollars in contracted investment, a 90 percent increase over 1988. The actual use of foreign investment was 50.9 billion U.S. dollars, nine times the total amount in the 1989-1990 period.

Since 1988 Xinzhaizi Town in the district has sponsored 15 export-oriented projects involving rural enterprises and overseas partners from Japan, the United States, Hong Kong and Taiwan.

So far, the province has 127 foreign-funded rural enterprises co-managed by farmers. Last year, 2.05 billion yuan-worth of export products, or 15 percent of the province's total export volume, came from rural enterprises.

To date, the output value of rural enterprises in 60 of the 100 counties in the province has exceeded 100 million yuan each. The number of rural enterprises with an output value of 10 million yuan each has reached 754. And 300 kinds of their products are sold to 60 countries and regions.

The development of rural enterprises has also promoted the development of small towns. Ten years ago the province had only 93 small towns. The number now stands at 1,145. And one third of the farmers' incomes comes from rural enterprises.

This has greatly reduced the burden on the state. In addition, the provincial government has allocated two billion yuan to subsidize the industrial sector with income from rural enterprises during the past ten years.

However, the governor pointed out that rural enterprises in the province still have a long way to go compared with the standards of rural enterprises in other coastal areas.

Northwest Region

Gansu's Gu Jinchí at CPC Anniversary Soiree

HK2506033991 Lanzhou Gansu People's Radio
Network in Mandarin 2200 GMT 22 Jun 91

[Text] Yesterday afternoon [22 June], an auditorium of Lanzhou's (Ningwozhung) Guesthouse was flooded with songs. Provincial leaders, including provincial party Secretary Gu Jinchí, provincial party Deputy Secretary Yan Haiwang, and more than 600 cadres and staff members of organs under the provincial CPC Committee, sang and danced together to warmly celebrate the 70th anniversary of the CPC's founding.

At this soiree, units under the provincial CPC Committee gave more than 20 well-rehearsed literature and art performances. With the song Without the Communist Party, There Would Have Been No New China as a main theme, participants sang the praise of the party's great achievements. At the soiree, the provincial party secretary and

cadres gave their own performance enthusiastically and conscientiously. From the beginning to the end, the soiree was filled with a joyous atmosphere.

Views United Front Work

HK2706020791 Lanzhou Gansu People's Radio
Network in Mandarin 2300 GMT 24 Jun 91

[Text] Yesterday afternoon [24 June], the provincial party committee held a forum in Lanzhou's Lin-mozhuang Hotel to commemorate the 70th anniversary of the CPC's founding. Democratic party people, public figures without party affiliation, and well-known people from all walks of life attended.

Gu Jinchí, provincial party committee secretary, delivered a speech at the forum. Jia Zhijie, provincial party committee deputy secretary, presided. Provincial leaders and some veteran comrades, including Ge Shiyang, Jiamyang Losang Jigme Tubdain Qoigyi Nyima, Huang Zhengqing, Yan Shutang, (Wang Yaohua), (Ma Xilie), and (Wang Shijie), attended.

Gu Jinchí said: The CPC's 70-year history has proven that the CPC is indeed formed by the working class' advanced elements and is a great, glorious, and correct party which symbolizes historical progress. The CPC's history has also proven that our patriotic united front is a magic weapon for seizing and consolidating political power and is one of our party's great inventions and political advantages. At present, in building a high degree of socialist material and spiritual civilization, we must continue to rely on this broad patriotic united front led by the CPC.

Gu Jinchí went on: At present, we should make redoubled efforts to further perfect the CPC-led multiparty cooperation and political consultation system and understand the system from the high and strategic plane of resisting the peaceful evolution which the West is forcing on us, maintaining long-term stability and security of our party and state, and building socialism with salient Chinese characteristics to give full scope to the role played by democratic parties, continue to consolidate and expand our broadest patriotic united front, mobilize all positive factors, and take the united front work as one of our party's central tasks.

At the forum, democratic party people; public figures without party affiliation; and well-known people from all walks of life, including (Ma Yaonan), (Fu Youyi), (Li Yuliang), (Ding Gengmu), (Zhang Yan), (Zheng Jianzhu), (Han Qicheng), (Li Maichun), (Ma Delun), (Zhen Waihan), and (Wang Zhengqing), also delivered speeches. They talked about the historical achievements of our party's united front as well as the situation and tasks presently facing our party's united front work.

On Township Enterprises

HK2806092591 Lanzhou Gansu People's Radio
Network in Mandarin 2200 GMT 25 Jun 91

[Text] Party and government organizations at all levels throughout the province should understand the development of township and town enterprises from the high plane of invigorating Gansu's economy and fulfilling the second-step strategic objective. They should conscientiously grasp the work of township and town enterprises to ensure their steady development. This is a point which was emphasized by provincial party Secretary Gu Jinchu and provincial Governor Jia Zhijie at an on-the-spot meeting of handing official business by the provincial Bureau for Township and Town Enterprises.

Last year total production output value of our province's township and town enterprises was higher than the average level of the whole country. On such a basis, there was another good start at the first five months of this year. Their total production output value reached more than 2.7 billion yuan. This means that total production output value of township enterprises and town enterprises was 19.6 percent and 22.91 percent respectively higher than the same period last year.

At the on-the-spot meeting of handling official business, provincial party Secretary Gu Jinchu and provincial Governor Jia Zhijie stressed: Township and town enterprises should make use of their own policies in a sufficient and living manner, and regard positive development, consolidation and enhancement as their basic principle now and in the future. They should rely on advanced science and technology, and management to enhance the quality of people. Township and town enterprises should be brought onto the track of increasing their economic results. They should make use of the strong points of local resources including agriculture, sideline production, mines, and so on to correctly seek their own ways to promote development. We should be fully determined to do well in readjusting the structure of township and town enterprises to further promote their development.

(Ma Chunmin), director of the provincial Bureau for Township and Town Enterprises, asked several specific questions. Jia Zhijie answered them on the spot. Provincial Vice Governor Lu Ming put forth several opinions on the direction for the development of township and town enterprises in our province.

At CPC Commendation Meeting

HK2806035491 Lanzhou Gansu People's Radio
Network in Mandarin 2200 GMT 25 Jun 91

[Excerpt] On the occasion of solemnly celebrating the 70th anniversary of the founding of the CPC, yesterday morning [25 June], the working committee responsible for organs directly under the provincial authorities held a meeting in an auditorium of the (Niuwozhuang) Guesthouse in Lanzhou to commend and award 66 advanced party branches, 209 outstanding party members, and 70 excellent party workers from these organs. At 0930, At the auditorium of

the guesthouse, drums were beaten, and firecrackers fired off, and a warm atmosphere prevailed. Amid joyous music, representatives of those advanced party branches, outstanding party members and excellent party workers, who were commended and awarded, received beautiful medals and certificates of merits presented by provincial leaders Gu Jinchu, Jia Zhijie, Yan Haiwang, Yang Zhenjie, and others. [passage omitted]

Lanzhou Executes Felons, Drug Traffickers

HK2506034191 Lanzhou Gansu People's Radio
Network in Mandarin 2200 GMT 22 Jun 91

[Text] Yesterday [22 June], Lanzhou City Intermediate People's Court executed nine felons in accordance with the law. In March this year, our public security personnel caught drug traffickers (Ma Shiliang) and (Ma Chenglou) red-handed as they were trafficking in drugs.

Gansu, Ningxia Implement State Relocation Plan

OW 2306084591 Beijing Central People's Radio
Network in Mandarin 2130 GMT 22 Jun 91

[From the Press Review" program]

[Text] China's western areas, including Hexi, Dingxi, and (Xihaibu), which were designated as the state's major migration areas by the State Council's leading group for the economic development of impoverished areas, have resettled some 320,000 people over the last eight years. The absolute majority of people from arid areas, who suffered from insufficient food and clothing for a long time, have attained the goals of completing migration in the first year, settling down in the second year, receiving sufficient food and clothing in the third year, and becoming rich in the fourth and fifth years. Since 1983, Gansu and Ningxia Hui Autonomous Region have carried out a massive organized and planned population migration in line with the arrangement of the CPC Central Committee and while engaging in regional economic construction. Some 50,000 people from arid areas of central Gansu migrated to Hexi and another 160,000 to (newly irrigated areas along the Huanghe). Meanwhile, 111,000 people from Ningxia's (Xihaibu) mountainous areas migrated to Hetao. These people, who lacked food and clothing for a long time have, following their migration, worked hard and produced a per capita grain output of over 400 kg by the end of last year.

It has been learned that the (Shanxi) area has fulfilled 70 percent of the state migration plan. In the next two years, 130,000 people from Gansu and Ningxia also will leave arid areas.

Qinghai Examines Compulsory Education Law

HK2706130891 Xining Qinghai People's Radio
Network in Mandarin 2200 GMT 24 Jun 91

[Text] Yesterday afternoon [24 June], the provincial people's congress standing committee held a meeting to study and make arrangements for examining the PRC Compulsory Education Law implementation.

The meeting called on people's congress standing committees and people's governments at all levels across the province to conscientiously organize examination work in a realistic, serious, and conscientious manner and to be highly responsible to the people in conducting examination.

Yang Maojia, provincial people's congress standing committee vice chairman, Bainma Dandzin, vice provincial governor, Zhaxi Anjia, provincial Chinese People's Political Consultative Conference [CPPCC] Committee, Mo Yanhai, provincial people's congress standing committee secretary general, (Gao Baolian), provincial government deputy secretary general, responsible persons of various specialized committees of the provincial people's congress, responsible persons of the general office of the provincial CPPCC committee, responsible persons of the provincial planning, finance, labor, personnel, and education departments, responsible persons of the provincial branch of the Revolutionary Committee of the Chinese Kuomintang and the provincial branch of China Democratic League, and responsible persons of the Xining City People's Congress Standing Committee attended the meeting.

The meeting first relayed the decision of a NPC [National People's Congress] chairmen's meeting on examining the PRC Compulsory Education Law implementation and a relevant circular issued by the NPC Education, Science, Culture, Public Health Committee.

The meeting held: Over the past five years, the PRC Compulsory Education Law implementation has given a powerful impetus to our province's elementary education cause development. Nevertheless, a host of problems still continue to exist in this connection. Thus, conscientiously carrying out examination work is of great significance.

In view of this situation, the provincial people's congress standing committee made the following decision: The examination work should be jointly organized and managed by people's congress standing committees and governments at all levels across the province with the participation of the provincial CPPCC committee and some democratic parties which are to be invited; a provincial leading group in charge of examination of the PRC Compulsory Education Law implementation should be set up with Comrade Yang Maojia and Comrades Bainma Dandzin and Zhaxi Anjia as director and deputy directors respectively. The province-wide examination should start in early July and end in late August; the examination work should be conducted by the local areas themselves and by the provincial authorities in some selected areas. After the local areas have completed the examination work, the provincial authorities will send five inspection groups to Xining City, Huangnan Autonomous Prefecture, Golog Autonomous Prefecture, Haibei Autonomous Prefecture, and Haidong Prefecture to inspect their work in this connection.

Yang Maojia, Bainma Dandzin, Zhaxi Anjia, and other leading comrades delivered speeches at the meeting. They called on all the comrades to carry out examination work in a down-to-earth manner, avoid doing things perfunctorily, conduct extensive and in-depth examination, and strive to achieve better examination work results. They held: In carrying out examination work, it is necessary not only to affirm achievements but also to lay bare shortcomings and problems by seeking truth from facts in order to raise the PRC Compulsory Education Law implementation in our province to a new level through this examination.

It has been learned that the NPC Standing Committee will send an inspection group to our province to inspect the work in September.

Qinghai Introduces New Education Management

*HK2706123091 Xining Qinghai People's Radio
Network in Mandarin 2200 GMT 23 Jun 91*

[Excerpt] The management system of education under which schools are run and managed by different levels has improved school management and enabled Qinghai's elementary education to develop along a healthy path.

With the continued economic and social development over the last few years, the strategic importance of education has been acknowledged by the public. The practice of committing different levels to run and manage elementary schools has greatly brought into play the enthusiasm of local authorities for running schools.

All levels of education departments in Qinghai maintain that it is necessary to rely upon education for socialist construction and that education must serve the socialist modernization construction. They advanced the slogan calling for revitalizing the economy through promoting education and established and improved the related leadership structures. In most townships and towns education committees led by party secretaries or [words indistinct] have been set up. They set targets for educational work and assessed cadres mainly by their performance in fulfilling the targets.

The new management system of education put an end to the old practice of relying upon the state to run schools and created a new situation in which the people's education is managed by the people themselves. Over the last few years, 656,200 square meters of inhabitable houses have been rebuilt into schoolhouses across the province and the public has contributed a total of 100.0031 million yuan toward the education fund. [passage indistinct]

All localities carried out nine-year compulsory education in line with local actual conditions incrementally in a planned way. [passage omitted]

Article Warns of Increased Independence Activities

HK2406151591 Beijing RENMIN RIBAO
OVERSEAS EDITION in Chinese 7 Jun 91 p 5

[By Fu Houmin (0265 0683 7044): "New Trend in 'Taiwan Independence' Merits Attention"]

[Text] Recently, "Taiwan independence" activities on the island have run rampant, and "Taiwan independence" forces inside and outside the island have been echoing one another and collaborating closely. This cannot but arouse the people's serious concern.

In early May, the Taiwan authorities terminated the "period of mobilization for quelling communist rebellion" and carried out so-called "constitutional reform," and along with this, "Taiwan independence" forces took its chance to stir up trouble; they actively preached that "Taiwan independence" speeches should be made legal and open. This is one of the new characteristics in the new trend. These people openly advocated "lifting restrictions on 'Taiwan independence' ideas and speeches and opening public spaces for such behavior," claiming that "Taiwan independence" should have 100 percent "freedom of speech." Members of the "New National Alliance" in Taiwan said that now is the "best chance for Taiwan to have independent sovereignty."

Making a show of strength in order to usher in the overseas "Alliance for Taiwan Independence," which intends to shift its base to Taiwan at the end of this year, is another characteristic of the new trend. The "Taiwan Organization for Nation Founding," which was organized by Chen Wan-chen, a member of the Democratic Progressive Party, was established on 16 May. At the establishing meeting, Chen Wan-chen, Huang Hua (still in prison), and Lin Yung-sheng openly admitted that they are "members of the Alliance for Taiwan Independence." Chen Wan-chen openly declared that the organization's duty is to coordinate shifting the headquarters of the overseas "Alliance for Taiwan Independence" to Taiwan and to "cope with the current political situation in the territory." In addition, information has it that the Democratic Progressive Party has reached a consensus on the shifting of the "Alliance for Taiwan Independence" to Taiwan, and has decided to welcome the "Alliance for Taiwan Independence" to Taiwan for development. This phenomenon indicates that the plan for moving the "Alliance for Taiwan Independence" to Taiwan has been officially placed on the table.

Raising the banner of "Taiwan independence" to challenge the Taiwan authorities is the third characteristic of the new trend. On 20 May, "Taiwan independence" organizations took to the streets, and openly raised the banner of "Alliance for Taiwan Independence," and some people even shouted the slogan of "Taiwan independence" all the way. At the same time, overseas "Taiwan independence" persons organized a procession in New York, and the members of the "Alliance for Independence and Nation Founding in Taiwan," the "Taiwan Nation Founding Committee," and the "Taiwan Human Rights Committee" all turned up. The

"Taiwan independence" forces at home and abroad collaborated and echoed among themselves, waving banners and chanting slogans, their arrogance was unprecedented.

Overseas "Taiwan independence" persons have said they will finish the "plan for moving to Taiwan" by the end of this year, and base their key developments on the island. They are eager to return to Taiwan because they want to coordinate their efforts with the "Taiwan independence" forces on the island in carrying out open and "legalized" activities.

After the Taiwan authorities announced the termination of the "period of mobilization for quelling communist rebellion" and abolished the "regulations on punishing rebellion," people on the island hoped that relations between both sides of the strait would become more harmonious, to benefit bilateral exchanges and "three links" as soon as possible, and to achieve the country's early reunification. This is the main trend and wish of the people. But a small number of "Taiwan independence" elements inside and outside the island used the chance to carry out "Taiwan independence" activities. This will never be tolerated by the people on both sides of the strait. Facing the arrogance of "Taiwan independence" forces, how will the Taiwan authorities react? People are waiting to see.

CPC's Efforts in Establishing Ties With Taiwan

HK2606034791 Hong Kong LIAOWANG
OVERSEAS EDITION in Chinese No. 23, 10 Jun 91
pp 4-7

[Report by staff correspondent: "CPC Leaders and Responsible Person of the Taiwan Affairs Office Talk on Cross-Strait 'Three Links'"—first three paragraphs are editor's note]

[Text] It is the common aspiration of all Chinese people that China must be reunified and that the Chinese nation stand on its own feet in the family of nations. In order to realize the motherland's peaceful reunification, as early as New Year's Day of 1979, the Standing Committee of the National People's Congress [NPC] published the "Letter to Taiwan Compatriots," in which the "three links" proposal was put forward, namely the establishment of links in trade, mail, air and shipping services between the two sides of the strait. It is a regret, however, that although the Taiwan authorities terminated the "period of mobilization for suppression of communist rebellion" not long ago, it still sticks to the so-called "three nos" policy. This is very unfavorable to the motherland's reunification.

In order to enable more people to understand the CPC's good faith on this matter, beginning from this issue, this magazine will give a series of reports entitled "Free Talk on the 'Three Links'" and will carry articles regarding the expectations and suggestions of some CPC ministry responsible persons and dignitaries from all sectors. In this issue, we are going to give a summary of speeches given by major CPC political figures regarding the "three

links" and an interview with the deputy director of the National Tourism Association.

The series reports are generally placed in the Taiwan-Hong Kong-Macao Special Column, except important ones which are placed in the Special Article Column as this article is.

Since the NPC Standing Committee published the "Letter to Taiwan Compatriots" on New Year's Day of 1979, relations between the two sides of the strait have been developing in a relaxed and flexible direction, and the two sides have gradually established indirect links in trade, mail, and air and shipping services. In order to promote the direct "three links" and two-way exchange between the two sides, CPC leaders and responsible persons of the Taiwan Affairs Office [TAO] have given many speeches on this topic on many different occasions. In order to enable readers to understand the CPC's position and good faith on this matter, this reporter has particularly sorted out and summed up these speeches as follows:

The "Three Links" Conducive to Exchange Between the Two Sides of the Strait and Enhance Their Mutual Understanding

In order to put an end to the long-term separation and confrontation between the two sides of the strait, the NPC Standing Committee published the "Letter to Taiwan Compatriots" on 1 January 1979, mentioning for the first time that before China's reunification, both sides could first establish links in shipping and aviation services, mail, and trade. This famous letter states: "The lack of understanding between compatriots of the mainland and Taiwan owing to the long-term separation has caused much inconvenience to both sides. Numerous overseas compatriots, whose homes are far away, can tour around and have family reunions in their motherland, but why cannot compatriots of the mainland and Taiwan, who are so near to each other, freely visit each others? There is no reason, in our opinion, for this barrier to continue to exist. We hope that both sides will establish links in shipping and aviation services and mail as soon as possible so as to be favorable to compatriots of both sides to come into direct contact, exchange information, visit relatives and friends, tour and visit places, and carry out academic, cultural, sports, and technological discussions and emulations. Taiwan and the mainland, the motherland, were originally one economically. Over the years, unfortunately, this economic link has been severed. Now, the motherland is vigorously developing, and we hope that Taiwan's economy is developing more prosperously daily. Both of us have every reason to develop trade, help supply each other's needs, and carry out economic exchange. This is a mutual need and does no harm to either side."

This is how the "three links" came into being. In the past dozen years or so, the CPC has made numerous efforts at establishing the "three links."

Since Jiang Zemin became General Secretary of the CPC Central Committee, he has extensively contacted people from all sectors of Taiwan and given a series of speeches

on the development of relations between the two sides of the strait. On 19 February 1990, Jiang Zemin met with the mainland-visiting delegation of the China Reunification Alliance headed by Taiwan's famous author Chen Yingzhen. They talked for more than one hour in a cordial and relaxed atmosphere. With a deep affection, he asked his guests: "I have said so many things at today's meeting, but I hope you understand my compatriotic love coming from my heart. What I am saying all comes from the bottom of my heart. Owing to the long-term separation, compatriots on both sides of the strait need mutual understanding. Only when this mutual understanding exists, can they build up mutual trust." After the meeting, General Secretary Jiang Zemin told reporters who had come to cover the meeting: "Today, I have mainly talked about family matters with our compatriots. Both sides of the strait have grown out of the same roots, so there is no reason to separate them or for them to become opponents, neither is there reason not to realize reunification. Compatriots of both sides should bury the hatchet, adopt the attitude of looking forward, and think more about the future of the Chinese nation." On 11 June last year, General Secretary Jiang Zemin reiterated at the opening ceremony of the National United Front Work Conference: "The Kuomintang Party [KMT] and CPC should establish the 'three links' as soon as possible for both sides of the strait, and they should expand two-way exchange before official talks are held. Some specific problems regarding exchange between both sides can be resolved through appropriate negotiation."

As for the meaning of the "three links," State Chairman Yang Shangkun once again gave a clear explanation when talking to TSU CHING, a Hong Kong magazine. He said: For both sides of the strait, the "most important thing is to strengthen communication. The goal of the 'three links' is to eliminate gradually the mutual opposing feelings and increase mutual understanding and trust. We hope that Taiwan's newly-established organizations and groups will make efforts for establishing the 'three links' between the two sides of the strait. We are willing to come into contact with any group or individual from Taiwan as long as he can really promote the development of relations between both sides and bring about mutual exchange and the 'three links.'"

State Council Premier Li Peng has told people of all sectors of Taiwan on many occasions: As for exchange between both sides of the strait, the mainland does not have any obstacles whatever. He continued: We hope that the Taiwan authorities will discard the unreasonable "three nos" policy as soon as possible, remove man-made obstacles so that people on both sides can visit each other on an equal basis, and that they can publicly and directly establish the "three links," and have all kinds of exchange, such as trade, cultural, sports, scientific, technological, and academic exchanges. We warmly welcome Taiwan's enterprises to invest, set up factories, run all types of industries, and develop the nongovernmental economy on a mutually beneficial basis on the mainland.

The "Three Links" Benefit Both Sides of the Strait and Have Become an Irresistible Historical Trend

After more than 40 years of development, both sides of the strait have their own strong points. Facts have proved that the "three links" between the two sides are good for supplementing each other's shortcomings, benefiting each other, and common development.

When interviewed by CHUNGKUO SHIHPAO reporters last September, Yang Shangkun said: "In comparing the two sides, what the mainland has, Taiwan does not have in many areas, such as large-scale iron and steel industries, and large machine-building and sophisticated electronics industries. Taiwan, however, is a little better than we in management experience, yet we are now learning it. Therefore, Taiwan is not stronger than China in all areas. As far as comprehensive capability is concerned, Taiwan is a thin guy while the mainland is a fat guy. Per-capita income cannot be used as a condition for reunification. Reunification of the two sides does not mean that Taiwan will disappear through union nor that their wealth will be confiscated nor that 'the gentry will be dealt blows.' Our policy is aimed at developing the mainland and Taiwan as well. Moreover, we can also trade with each other; the purpose of trade is to supply each other's needs. For example, the mainland produces one billion tonnes of coal and 190 million tonnes of oil each year, while Taiwan is short of iron and steel products and coal and oil. The mainland is rich in natural resources and can supply Taiwan with them. Therefore, if the two sides carry out exchange on an equal basis, some questions can ultimately be resolved. After several decades of construction, to be fair, we can compare what achievements we have scored."

At the Symposium on Trade and Investment Between the Two Sides of the Strait on last 2 July, Vice Premier Wu Xueqian made the following remarks on behalf of the State Council: As far as economic development is concerned, the two sides of the strait have their own strong points and advantages. They can supplement each other in many aspects and thus promote common development. We welcome Taiwan compatriots to visit their relatives and friends more frequently on the mainland, and the fact that they come here in person helps improve mutual understanding. The State Council has formulated preferential policies for Taiwan compatriots' investment. We welcome Taiwan compatriots to invest on the mainland. He said: The "three links" between the two sides have gradually been forming an irresistible trend. We are willing to make joint efforts with far-sighted people from all sectors of Taiwan to remove obstacles and establish the "three links" as soon as possible.

Chinese communists sincerely hope that the two sides of the strait will establish the "three links." On 30 January 1989, Ding Guangen, who had just assumed the post of Director of the State Council Taiwan Affairs Office, was interviewed by reporters for the first time. At an informal discussion, which lasted well over 3 hours, Ding Guangen talked, with emphasis on the question of "trade" between the two sides of the strait, saying: The mainland possesses natural resources, a market, and a

work force as well as considerable scientific and technological capability, while Taiwan has capital, commercial networks as well as management personnel well versed in business operation and management. If the two sides cooperate with each other, it will be good for both. Some Taiwan businesses see that investment conditions along the coast of the mainland are the best. Here there is a comparatively good quality work force, and people speak the same language and share similar customs, which is a great convenience. In order to promote the development of economic and trade relations between the two sides of the strait, we are considering marking out of land from the development zones of the coastal special administration regions along the coast of the mainland for Taiwan businesses to develop and invest in. We are looking at methods of offering better help to Taiwan businesses which have a "hard time finding a way" on the mainland. He stressed that trade with Taiwan should be conducted on an equal and mutually-beneficial basis so that it will eventually be standardized, normalized, and brought into good order, and that indirect trade will gradually develop into direct trade.

Since then, the mainland has set up some investment and development areas for Taiwan businesses such as Xinglin and Haicang in Xiamen and Fuzhou's Mawei which are familiar to Taiwan businesses. They are convenient places for Taiwan businesses to invest on the mainland.

The "Three Links" Cannot Be Used as a Political Counter

The "three links" between the two sides of the strait conform to the interests of their people and are their desire, so the Taiwan authorities should not use them as a political counter or place numerous obstacles on the road to the "three links" between the two sides.

In response to this, Yang Shangkun said: The "three links" are very beneficial to communication between the two sides of the strait. Direct trade that we have proposed has not been carried out today. Taiwan needs the mainland's coal, and we are willing to supply it. Since there is no direct trade at the present time, we have to transport coal to Taiwan via a third place. This increases the cost. As for personnel exchange, Taiwan discriminates politically against our personnel intending to visit Taiwan by demanding that they leave the CPC. The mainland has 50 million communists, and it is impossible for them to visit Taiwan by filling out a form and quitting the CPC. Many Taiwan compatriots' kinsfolk on the mainland are communists, but they cannot go to Taiwan to visit them. We never care about the political identity of visitors, or about whether they are KMT members or not. And we do not demand that these visitors leave the KMT. In view of this, the current "three links" are very unfair. Of Taiwan's 20 million people, more than 1.6 million have visited the mainland. On the contrary, of the mainland's 1.1 billion people, only a few thousand have visited Taiwan. The numbers are not equivalent.

When meeting with the delegation of the Straits Exchange Foundation on the mainland on 3 May, Wang Zhaoguo, the new Director of the State Council TAO, also expressed his view on this matter, saying: "The fact that we advocate the direct 'three links' is mainly aimed at improving exchange between the two sides of the strait, improving our friendship, enhancing our mutual understanding, and reaching better consensus. Now some people in Taiwan have the incorrect idea that without Taiwan's capital and technology it is impossible or very difficult to realize the mainland's four modernizations. It is inappropriate for them to use this as a political counter to delay those things that are badly needed by both sides' people and that should have been done earlier. The achievements of China's reform and opening up over the past 12 years are known to all. During this period, we mainly relied on the mainland's accumulated capital and our own labor. Moreover, we also welcomed some capital from Hong Kong, Macao, Taiwan, and other countries. Over the past 12 years, we have utilized over \$60 billion, but according to figures released by relevant Taiwan authorities, only a total of \$600 million have flowed from Taiwan to the mainland during this period. Taiwan's capital represents only a small proportion. Therefore, it should not use this point as a political counter. Both sides should bring into play their own advantages and better cooperate with each other because this is good for revitalizing the Chinese nation."

To Establish the "Three Links," Both Sides Need to Sit at the Conference Table

In order to follow the historical trend and people's aspirations and bring about direct and two-way "three links" between the two sides of the strait, CPC leaders have always hoped that both sides will sit down at the conference table.

As early as 30 September 1981, Ye Jianying, then chairman of the NPC Standing Committee, put forward this proposal: "Peoples of all nationalities on both sides of the strait earnestly hope that mail can be exchanged, family reunions can be held, trade can be started, and mutual understanding can be enhanced. We suggest that both sides should facilitate mail exchange, trade, shipping and aviation services, the visiting of relatives, traveling, as well as academic, cultural, and sports exchanges by making relevant agreements."

At the opening ceremony of last year's National United Front Work Conference, General Secretary Jiang Zemin said: "Only when both sides sit down and bring in mind the 'one China' principle, rather than using 'two Chinas,' 'one China, one Taiwan,' or 'one China, two governments,' can all problems be brought for discussion and negotiation."

At the Fourth Session of the Seventh NPC, which ended not long ago, State Council Premier Li Peng reiterated: The CPC is "willing to hold talks with the KMT on an equal basis at the earliest possible date. We can discuss the reunification issue first or those important questions

regarding relations between the two sides of the strait including those the Taiwan authorities are concerned about. We are also willing to contact and communicate with all parties, groups, and people of all sectors from Taiwan so as to enhance mutual understanding and discuss national affairs together. We welcome Taiwan compatriots to participate vigorously in the motherland's modernization drive, and we will continue to offer aid for this cause. All projects that conform to the state industrial policy can enjoy stipulated preferential treatment."

Li Peng said: Regarding relations between the two sides of the strait, the Taiwan authorities still limit direct "three links" and two-way exchange. Compatriots on both sides earnestly urge that the good trend of exchange, which has appeared in recent years, be further developed and that man-made obstacles to the "three links" be removed at an early day. We hope that the Taiwan authorities will continue to do some practical things that are favorable to direct "three links" and two-way exchange between the two sides of the strait, and to China's reunification.

Taiwan Skeptical of Hong Kong 'Springboard' Role

HK2406132591 Beijing ZHONGGUO XINWEN SHE
in Chinese 0934 GMT 10 Jun 91

[Commentary by Staff Reporter Tian Di (3944 0966): "Can Hong Kong's Role As 'Golden Springboard' Be Dismantled by Taiwan Authorities?"—ZHONGGUO XINWEN SHE headline]

[Text] Taiwan businessmen praise Hong Kong as a "golden springboard" due to its unique position in economic and trade relations between Taiwan and mainland China. Unexpectedly, the Taiwan Authorities have repeatedly revealed recently, their attempts to dismantle this "golden springboard" and replace it with other localities. Not long ago, some of Taiwan's "Executive Yuan Committee for Work Concerning the Mainland" and Ministry of Economic Affairs brass were ranting: "Hong Kong's position as a springboard is unstable," and "there is an urgent need to find another entrepot port," while requiring Taiwan businessmen "to transfer their positions to Singapore or Japan with 1997 approaching"; thus, they have continued to spread the "theory of substitution."

Do the Taiwan Authorities's words fall in line with reality? Can the Taiwan Authorities dismantle Hong Kong's role as a "golden springboard" and replace it with some other locality? It is not difficult to answer as long as one makes an objective analysis.

Hong Kong has a unique role in the economic and trade relations between Taiwan and the mainland. First, it is the juncture of economic and trade relations between Taiwan and the mainland and has the following characteristics: 1) It serves as a bridge in the economic and trade relations between Taiwan and the mainland. Hong Kong's industrial, commercial, trade and banking sectors have done prolific work as middlemen for economic and trade relations between Taiwan and the mainland. 2) It is the entrepot port

for trade between Taiwan and the mainland. 3) It serves as a springboard for Taiwan businessmen making investments in the mainland. 4) It serves as a station for fund-transfer and remittance operations between Taiwan and the mainland. 5) It serves as a station and medium for collecting and transmitting business information. 6) It provides a site for contacts and negotiations between entrepreneurs, businessmen, experts and scholars on the two shores. 7) It serves as a passage for Taiwan businessmen travelling to the mainland. 8) It is the vanguard for companies, banking and trade organs setting up their positions. 9) It is the locality where commodities from the two shores are exhibited. And 10) It serves as an intermediary for mediation and arbitration and as a station rendering services to economic relations and trade including trade marks and patent rights. In addition to such environmental factors as geography, human relations and languages, Hong Kong's unique role and status are irreplaceable.

Second, the triangle of economic and trade relations between Hong Kong and the mainland, Hong Kong and Taiwan, and the mainland and Taiwan have taken initial shape. Hong Kong's role as an intermediary between Taiwan and the mainland is irreplaceable. Hong Kong is the mainland's largest trade partner, import-export port, and the most important region for the mainland's import of foreign capital. Reciprocal investment between Hong Kong and the mainland has each exceeded \$20 billion, and their economic ties are rather close. Hong Kong is Taiwan's second largest export market, and the port with the largest export surplus to Taiwan. Half of Taiwan's export orders and export growth depends on Hong Kong as an entrepot port. Taiwan has become Hong Kong's fourth largest trading partner; trade volume between Hong Kong and Taiwan exceeded \$10 billion in 1990. A situation of reciprocal investment between Hong Kong and Taiwan has taken initial shape too. Entrepot trade via Hong Kong between Taiwan and the mainland has increased at an annual average rate of 40 percent, and Taiwan capital continues to surge into the mainland through Hong Kong. The economic and trade relations between Hong Kong, Taiwan and the mainland have shaped into a chain, while Hong Kong serves as the link that connects Taiwan and the mainland.

With the rapid development of economic and trade relations between Taiwan and the mainland, the importance of Hong Kong as a "golden springboard" is being increasingly keenly felt. To smooth the way for investing in the mainland, Taiwan businessmen have set up some 1,000 subsidiaries in Hong Kong, with their numbers continuing to rise. With the Taiwan Authorities terminating the "period of mobilization for suppression of communist rebellion," Taiwan businessmen, especially large companies, financial groups and banks, are optimistic about Hong Kong's position, and have moved into Hong Kong in a big way. The so-called "uncertainty" of Hong Kong's role as a "golden springboard" does not exist.

Analyzing future development trends, we find that Hong Kong's role as a "golden springboard" will only be consolidated and intensified, not the contrary for the following reasons:

From Taiwan's point of view, with greater resistance in its original export markets Taiwan must further diversify its export markets, and as it is very difficult for Taiwan to cut back its trade deficit with Japan, it has a need to diversify its sources of imports. The mainland has become Taiwan's geographically closest market and investment site, with the greatest potential for opening up and profits, and Taiwan is not likely to "relax" its economic and trade relations with the mainland. Hong Kong has all the advantages, with its complete and perfect conditions, and Taiwan will never seek far and wide for what lies close at hand.

From the mainland's angle, Taiwan will become a market for imports and exports and a source of funds. As Hong Kong is the mainland's most important import-export port, monetary market and information express-relay station, the mainland will go all out to maintain Hong Kong's prosperity and stability, to help Hong Kong's economic development and its own four modernizations, reform and opening up.

From Hong Kong's angle, with its many advantageous international functions, and as one of the leading ports and centers in the Asia-Pacific Region, Hong Kong will play a greater role as a springboard in the economic and trade relations between Taiwan and the mainland. Hong Kong's own economic strength will be especially augmented; with an increase in foreign investment, its close economic, trade, monetary and personnel relations with Taiwan and the mainland will make its role as an intermediary endure, despite the pending realization of the "establishment of transport, trade and postal relations."

From an angle of international political and economic changes and changes in the regional economic structure, regional economic integration is taking shape under conditions of a gradual aggravation in international trade protectionism and competition; the strengthening of economic cooperation, the supplementation of each other's needs, and the mutual benefits of cooperation between Hong Kong, Macao, Taiwan, and the mainland is an inevitable trend.

Based on the aforesaid factors, Taiwan's companies, financial groups and banks are taking an active part in setting up bases in Hong Kong to accommodate the arrival of a new height in economic and trade activities between Taiwan and the mainland, and to make things smoother in unfolding economic and trade relations with the mainland in the wake of "1997." This being the case, it is rather pedantic and impractical for the Taiwan Authorities to play the "political card" and "Hong Kong card" at this point. No matter what plans they have in their minds, Hong Kong's role as a "golden springboard" will never be easily dismantled as in the wishful thinking

of the Taiwan Authorities, because this will be unfavorable to Taiwan businessmen, nor will it be conducive to economic development in Taiwan.

Roundup on Trends in Mainland Investment

OW2406044391 Beijing XINHUA Domestic Service
in Chinese 2054 GMT 23 Jun 91

["Roundup: New Trend in Taiwan Businessmen's Investments in the Mainland; By Zhan Xiang (6124 3276) and Wan Hongqiang (8001 4767 1730)"]—XINHUA headline]

[Text] Beijing, 23 Jun (XINHUA)—The new trend in Taiwan businessmen's investments in the mainland has become a hot topic of conversation among people in economic, trade and other relevant circles on both sides of the Taiwan Strait.

According to economic and trade departments, by the end of last year, Taiwan businessmen had set up in the mainland more than 2,000 factories, with contracts signed for investments totaling \$2 billion. Furthermore, these two figures are on the rise.

A roundup based on our reporters' recent visits to some provincial and municipal economic and trade departments and Taiwan-invested enterprises provides a rough outline of the various characteristics of Taiwan investment in the mainland.

Taiwan Investors' Extend Their Reach

After traveling all over Sichuan Province, a Taiwan reporter sighed with deep feelings: This is indeed a bountiful land! The 100 million [as printed] population alone could be Taiwan's largest market.

Many Taiwan businessmen visiting Sichuan were attracted by the abundant natural and human resources. They also realized that Sichuan, unlike the coastal areas crowded with Taiwan enterprises competing fiercely with one another, can provide them with an environment in which they are able to develop at their own pace and, after gaining a foothold there, extend their business into the vast area of the southwestern land. Based on their correct sizing of this market, a number of farsighted Taiwan businessmen set foot on this "land of abundance." Statistics show that Taiwan-invested enterprises in Sichuan have increased from nine to 55 this year; investment by Taiwan, previously at a standstill in Sichuan, is suddenly thriving. Sichuan has emerged as one of the "favorite areas" among Taiwan investors.

This emerging "favorite area" reflects a new trend: The reach of Taiwan businessmen has extended from the coastal areas to the hinterland, and from the south to the northeast.

The three northeastern provinces of the mainland have enlightened Taiwan businessmen: They should assess the economic potential of the richly endowed land with strategic foresight. After touring Heilongjiang Province,

six investigative groups and a hundred or so industrialists and businessmen from Taiwan showed great interest in the petroleum, coal, timber, mineral, economic crops, grasslands, and manpower resources there. Coastal cities in northern China have already attracted many Taiwan businessmen. For instance, the number of Taiwan-invested enterprises in Dalian has increased to 65; Qingdao has approved the establishment of 40 Taiwan-invested enterprises in all, and 22 of them have been put into operation. In addition, applications have been lodged by 30 or so enterprises with investments totalling more than \$300 million.

The "Snowball" Phenomenon

A "snowball" phenomenon created by Taiwan entrepreneurs of different sectors following in the footsteps of successful enterprises is already a common occurrence in many localities; consequently, various "favorite spots" and "favorite areas" of Taiwan investors have emerged.

Larger Taiwan-invested enterprises are emerging at a faster pace. This trend is particularly obvious in Guangdong and Fujian provinces.

According to statistics compiled by the departments concerned, hundreds of Taiwan-invested enterprises have been put into production or operation in Guangdong in the period from October 1987, when the first factory invested in by Taiwan businessmen was set up there, to the end of last year. Furthermore, from their lease of large tracts of land to the planning, development and management of sub-zones; their investment in such basics as raw materials; and such long-term projects as docks, storage and transportation facilities, and bonded warehouses, there is every indication that the Taiwan businessmen are shifting their short-term investment for periods of two to three years to long-term planning for 20, or even 40 or 50 years.

Within a short period of time, Taiwan enterprises have filled the Mawei Investment Zone for Taiwan in Fuzhou and are extending into the surrounding area. Xiamen, a leading city in attracting Taiwan investment, is also speeding up infrastructure construction at the Haicang and Xinglin investment zones for Taiwan. Taiwan businessmen investing in Fujian have embarked on joint-ventures and comprehensive development, and developed an investment community complete with different trades and complementary industries. In addition to general processing industries established during the initial period, the Taiwan entrepreneurs have ventured into such sectors as light industry, electronics, hardware, machinery, plastics, building materials, livestock, and agriculture. Taiwan businessmen in such areas as Shanghai have shifted their sights to the securities and financial sectors. According to analysis by the "Council for Economic Development of Taiwan," Taiwan businessmen are engaged in at least 1,500 different categories of projects on the mainland.

It is precisely because of the good prospects for profit that some 100 Taiwan enterprises in the Xiamen Special Economic Zone alone have increased their investments by a total of \$120 million since 1989. There are quite a few enterprises which have increased their investments from several hundred thousands to more than 1 million dollars.

"Flowers are blooming everywhere" is a phrase the people of Suzhou use to describe local enterprises invested in by Taiwan businessmen. With a relatively strong industrial foundation, Jiangsu's township and town enterprises have been very popular among Taiwan investors in recent years. In some counties there are over a dozen Taiwan enterprises. More than 70 percent of the Taiwan enterprises are joint ventures with local township and town enterprises, and most of their products are for export. Highly efficient, flexible, requiring only a small investment, and capable of turning out quick results—these are the merits which have made township and town enterprises the ideal partners of Taiwan businessmen.

Upgrading of Structure

The new Caohejing Technology Development Zone, the first three-dimensional modern and open industrial city for Taiwan businessmen on the mainland to be jointly built by engineers from both sides of the Strait, will soon be set up in Shanghai. After completion in 1995, the industrial city will accommodate 64 factories and, with the completion of the first-stage construction next June, 16 factories will begin operation. The construction of the industrial city indicates another trend, that is, Taiwan enterprises will develop from a relatively low level of technology to a high level.

As the mainland has a fairly solid industrial foundation and technical force and a strong high-tech development capability and comprehensive economic strength, Taiwan entrepreneurs who came to the mainland to cautiously set up exploratory processing projects in the past, have gradually shifted their investments to the scientific and technological industry, achieving remarkable progress in the width and depth of technology invested in by Taiwan businessmen. As reported by the Taiwan press, the rapid development of Taiwan's electronics industry on the mainland reflects an upward tendency of the investment structure by Taiwan businessmen. The Taiwan press has also expressed the belief that such upgrading of investment structure will continue in the future.

Today, the industrial structure of Taiwan enterprises has gradually shifted from labor-intensive to technology-intensive; while the production mode has gone from simple processing and assembling to comprehensive development. A vast "Electronics Industrial Zone" and "Science-Based Industrial Park" developed by Taiwan businessmen have taken shape in Xiamen and Fuzhou. Zhejiang's Hangzhou is exerting efforts to set up high and new technology development zones, with the emphasis on developing the electronics information, new materials, bio-engineering, integrated optical and

electronics, and high-efficiency energy-saving technologies and products. Some Taiwan enterprises are not only more advanced than their mainland counterparts, but also have reached the international level in terms of production technology, management and operations, and product quality. Most of their products are exported.

"Build Nests to Attract Birds"

"Build nests to attract birds" is an analogy used by leaders and workers of the Fuzhou Economic and Technology Development Zone to describe their efforts to improve their investment environment. In the past six years they have successively invested more than 300 million yuan to carry out infrastructural construction, providing a fairly adequate investment environment.

A survey recently released by the "Chinese Economics Institute" indicates that "over 90 percent of Taiwan businessmen have gone to the mainland to invest because of its environment."

The new tendency in the width and depth of the expansion of Taiwan investment in the mainland is closely linked to the efforts by its various local governments and departments to improve investment milieus, formulate clear policies, and complete the laws and regulations, thereby setting up a coordinated system of services. Among the "most special policies," as referred to by quite a few personages in Taiwan's industrial, business, and academic circles, are the preferential policies formulated by the "most special province" Hainan with regard to land, investment, exportation, taxation, banking, foreign exchange, and the predominant role of foreign capital in Hainan's development. These policies have freed Taiwan and foreign businessmen of the misgivings about obstructions to their managerial right and ownership.

Among measures to improve the environment are consulting agencies which have been set up in various localities. The Beijing Consulting Company for Taiwan Investors and Traders has, since its inauguration in 1988, collected data for 1,500 investment projects and recommended 400 prospective Taiwan investors to enterprises inside and outside Beijing. The Beijing Association of Taiwan-Invested Enterprises, which was founded last year with municipal government assistance, have solved various problems for Taiwan-invested enterprises with regard to taxation, customs, communications, power and electricity.

Open policies, preferential measures, and a service awareness are the "spiritual consolation" for Taiwan investors on the mainland. For example, when the Jilin Oil Chemical Company Ltd., a joint venture set up by Taiwan businessmen, applied to set up a branch office in Chengdu, it only took two days to complete the application procedures, employ personnel and lease the office. As Mr. Lin, one of the Taiwan businessmen, gasped in admiration: With such high efficiency "the Land of Abundance" has its might redoubled and prospects beyond measure.

Blood Is Thicker Than Water

Economists on the mainland and in Taiwan agree that the sudden increase in the number of Taiwan investors going to the mainland has been due partly to the cultural background, in addition to the prospects for profit offered by the mainland's readied conditions for development and the complementary nature of trade and economic relations between the two sides. The number of Taiwan investors in Xiamen and the relations between labor and management there will suffice to prove that "Blood Is Thicker Than Water" is not a mere slogan. Who dare to deny that there exists between the two sides a brotherly affection and common aspirations to rejuvenate the Chinese nation! An endless stream of farsighted Taiwan industrialists and businessmen have overcome all kinds of difficulty in investing and setting up factories in the mainland. Who dare to deny their share of contributions to developing economic and trade cooperation and promoting the reunification of the two sides!

Burgeoning Trade With Taiwan Reported

OW2506092591 Beijing XINHUA in English
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[Text] Beijing, June 25 (XINHUA)—Investment in the mainland by Taiwan companies is developing on a broader and more accelerated scale.

Statistics from the Ministry of Foreign Economic Relations and Trade show that by the end of 1990 there were more than 2,000 Taiwan-funded companies on the mainland, with agreed investment mounting to two billion U.S. dollars.

So far this year southwestern China's Sichuan Province has seen a marked increase in Taiwan-funded projects, rising from nine to 55 in less than six months.

In the three northeastern provinces of Liaoning, Jilin and Heilongjiang, Taiwan business people are especially interested in oil, coal, timber, minerals and other resources. The coastal cities in the north have already received a sizable scale of Taiwan investment. Now there are 65 Taiwan-funded enterprises in Dalian. Qingdao, in Shandong province, has approved the setting up of 40 companies with Taiwan investment, and 22 of them are already in operation.

Meanwhile, a "snowball" phenomenon is being seen in many places. In south China's Guangdong and Fujian Provinces, Taiwan investors have penetrated almost all the industrial and commercial sectors.

Encouraged by their initial success, many Taiwan companies have reinvested in their mainland projects. In the Xiamen Special Economic Zone alone, reinvestment by Taiwan firms has reached 120 million U.S. dollars since 1989.

Government officials in different localities attribute the expanded presence of Taiwan business to the improved

investment environment, which includes more efficient services, and new rules and regulations to protect the interests of investors.

Reunification Process Vital to Asia-Pacific

HK2806110191 Beijing ZHONGGUO XINWEN SHE
in Chinese 0941 GMT 26 Jun 91

[By reporter Wang Jie (3769 2212): "Beijing Expert Maintains China's Reunification Closely Related to Security, Cooperation in Asia-Pacific Region"—ZHONGGUO XINWEN SHE headline]

[Text] Hong Kong, 26 Jun (ZHONGGUO XINWEN SHE)—"In making an assessment of the situation in the Asia-Pacific region in the 1980's, the reunification process of China is one aspect that cannot be ignored."

Li Yongwang, deputy director of the Institute of Taiwan Studies at the Chinese Academy of Social Sciences, made this remark in his paper entitled: "China's Reunification and Security and Cooperation in the Asia-Pacific Region" which was read at the "seminar on international relations in Asia-Pacific" held at Hong Kong's Chinese University today.

In his analysis of the effects of the reunification process of China, Li Yongwang said: The developments in the reunification process of China over the past decade have enriched and expanded the contents of rapprochement and cooperation between the countries and regions of the Asia-Pacific region. They have also substantiated and reinforced the principal trend of "peace and development" in the international community.

To a certain extent, the theories and practice concerning China's reunification have changed and transformed the traditional theses about state and concepts on international politics. These not only led to a historical turning point in the process of China's reunification, but also brought about a change to the tension and unease which had prevailed in the Asia-Pacific region.

As a direct consequence of the process of China's reunification and as a new form of the economic growth mechanism, the formation of the "Chinese economic relations grouping" has now occupied an established position in the economic structure of the Asia-Pacific region and has also created a corresponding effect.

Li Yongwang maintained the reunification of China in effect contained two essentially different features: One is the settlement of the issue of Hong Kong and Macao, that is the restoration of the Chinese Government's sovereignty over Hong Kong and Macao; Two is the settlement of the Taiwan issue, that is, an end to the separation of the two sides across the strait for a long period of time and the realization of Taiwan's peaceful reunification with the continental motherland.

On the question of reunification of the two sides across the strait, on one hand, the crux of the problem remains

alongside the hostility, difficulties, and obstacles while the political stalemate is still unbroken; on the other hand, because of the complex effect caused by various factors, a major breakthrough has appeared in the unofficial relations while cross-strait relations have undergone a historic turning point as tense confrontation made way for rapprochement and isolation for exchanges. The transformation of cross-strait relations has entered a new historical period.

Li Yongwang maintained China's reunification process has many effects on the security and cooperation in the Asia-Pacific region. For instance, it has offered a new vision and ideological inspiration for the international efforts to resolve historical problems and conflicts between states or within a state itself; it has become an effective force to improve and consolidate security and stability in the Asia-Pacific region; and it has promoted the flourishing development of trade and investments in the Asia-Pacific region.

Sichuan Gains Popularity With Taiwan Investors

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in Chinese 0737 GMT 25 Jun 91*

[By Yang Li (2799 0500)]

[Text] Chengdu, 25 June (XINHUA)—Taiwan investment in Sichuan Province, which was somewhat lusterless a few years ago, is now thriving.

When the reporter visited the Sichuan Taiwanese Compatriots' Investment Consultation Service Center, the staff revealed a statistical figure: The number of the province's Taiwanese invested enterprises set up this year had increased from nine to 55. This growth rate is truly remarkable.

Only after coming to Sichuan Province did the Taiwanese investors realize that apart from the big cities of Chengdu and Chongqing, which are suitable for investment, Sichuan's other smaller localities such as Leshan, Zigong, Wenjiang, Yibin, and Deyang, which they previously had little knowledge of, are also very good investment sites. They can always turn to other locations in Sichuan to look for various opportunities to invest and make money if their business deals in Chengdu or Chongqing do not materialize.

What is it that keeps attracting more and more Taiwanese investors? Visitors from Taiwan, regardless of whether they are entrepreneurs or tourists, all sigh a common exclamation after visiting Sichuan: This is really a piece of precious land, and the population of 100 million constitutes the biggest market.

Needless to say, Sichuan's abundant natural resources and work force are also positive points. The biggest Taiwanese-owned invested enterprise currently operating in Sichuan has two main types of business—one in production of bamboo mats, joss sticks, and other related lines of products; and the other in the production

of meat floss, meat strips, meatballs, and other meat products. The investor is obviously banking on the two major resources of bamboo and pork meat. Another Taiwanese invested enterprise which has twice made supplementary capital investments took advantage of Sichuan's flourishing animal husbandry products sector. The current stream of Taiwanese investors negotiating for investment in Sichuan are mostly interested in the fine processing of agricultural sideline products. Taiwanese investor Mr. Sun intended to invest \$10 million to produce cut frozen vegetables for export after inspecting Wenjiang. The initiative of Taiwanese investors coupled with the advantages of Sichuan has made the province a new "hot spot" for Taiwanese investment.

According to an analysis made by the consultation service center, the continuously increasing Taiwanese invested enterprises have several salient features—namely, the larger proportion of wholly owned enterprises and the expanded scale of operation. Some Taiwanese investors with foresight intend to establish a base in Sichuan, and then use it as a springboard to expand into the southwest region.

At the beginning of spring, the people's government of Sichuan Province launched a series of new policies and preferential measures to attract Taiwanese investment. Repair work on the Chengdu-Chongqing highway is rapidly progressing and the construction of a railway line serving central Sichuan is scheduled to start soon. Meanwhile, fiber optic and optical cable communication systems are also being developed. The people of Sichuan are also aware of "opening up the door to the land of plenty" [referring to Sichuan Province] and shedding the "basin mentality;" this made the Taiwanese investors feel that the investment climate in Sichuan is improving. Mr. Wang, a Taiwanese compatriot who runs a food products concern in Chengdu City, is optimistic about the mainland's reform and opening up policy and Sichuan Province's potential.

Xiamen Customs Personnel Return From Taiwan

*HK2306082491 Beijing RENMIN RIBAO in Chinese
19 Jun 91 p 4*

[By Cai Guoyan (5591 0948 3533): "Six Xiamen Customs Personnel Taken to Taichung Port Return to Xiamen Via Hong Kong"]

[Text] Xiamen, 18 Jun (XINHUA)—The six Xiamen Customs officers, who were taken to the Taichung Port while they were checking a smuggling ship, returned to Xiamen via Hong Kong this afternoon on a Xiamen airliner.

When the six anti-contraband personnel, all dressed in dark blue uniforms, stepped down the staircase, they were welcomed by the leaders of the Xiamen Customs and Xiamen People's Government as well as their relatives. People vied with one another to shake hands with them and take photographs.

The Xiamen Customs held a party to welcome them. The General Administration of Customs sent a cable of appreciation. The Fujian province and Xiamen city also sent letters or delivered speeches to welcome them.

Qin Huizhong, director of the Xiamen Customs, said that the smuggling ship and goods are still in Taiwan. He hoped that the Taiwan authorities would hand over the ship and goods to Xiamen Customs as quickly as possible so that the case can be handled according to law. Wang Yanping, leader of the anti-contraband team under the Xiamen Customs, who returned today, gave an account of the incident.

Taiwan Invites Mainland Athletes to Visit

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1156 GMT 24 Jun 91*

[Text] Beijing, June 24 (XINHUA)—A senior official of the Chinese Taipei Olympic Committee (CTOC) Monday invited Chinese athletes and officials on the mainland to visit the island province of Taiwan this year.

Sports officials and athletes from the island have been visiting the mainland since 1989, but this was the first ever formal invitation to officials and athletes of the mainland.

The invitation was made by Chang Feng-shu, president of the CTOC, during his meeting here Monday with He Zhenliang, president of the Chinese Olympic Committee (COC).

Chang invited China's gold medalists at last year's Asian Games in Beijing and other athletes as well as officials of the COC for the visit. He Zhenliang was specially invited to visit Taipei.

He Zhenliang accepted the invitation and the heads of the Olympic committees agreed that further discussions are held for arranging the details of such visits.

Sports teams, athletes and sports personalities from Taiwan are warmly welcome to mainland for visits, competitions, studies, training and academic exchanges and scope of such exchanges should be enlarged, He Zhenliang said.

The officials also discussed proposals to invite mainland sports coaches to Taiwan, and the two parties agreed to make joint efforts to materialize such proposals.

They hold that further sports exchanges should be encouraged to raise the standard of sports of China and promote understandings and brotherly affection between Chinese people on the two sides of the Taiwan Strait.

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